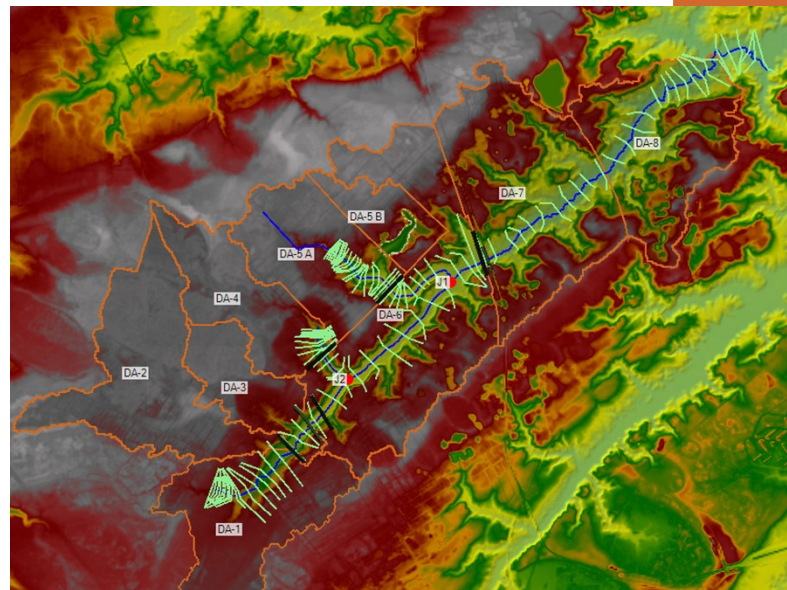


# Agenda

- Permitting
- FEMA Funding
- City's Potential Cost Share
- USDA
- Critical Path
- Next Steps
- Funding Alternatives



# Permitting

# Dam Safety Review

- Submittal on January 14, 2021
- Responding to staff inquiries since early April
- **Sent to Director's desk in mid-May**

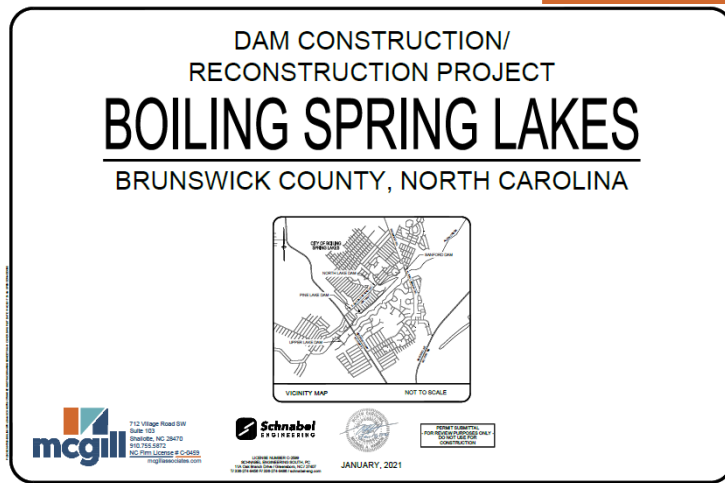
## Floodplain:

- CLOMR Submittal January 14, 2021
- NCFMP requested **60 additional days** on top of 90 days for review
- Floodplain permit within 30 days after CLOMR is complete

## Erosion Control:

- No technical comments pending
- Need approval from adjacent property owners for land disturbance activities

**\*Easements in progress, 401/404 permits in hand**



# Recent FEMA Coordination

## Sanford Dam and Upper Lake Dam #68141

- Staff completed review of the Final Version of the Hazard Mitigation Proposal May 3, 2021
- McGill/City provided comment
- FEMA cited technical issue regarding CEF needed further review

## Pine Lake Dam and North Lake Dam #126563

- McGill/City submitted Hazard Mitigation Proposal April 26, 2021
- Staff initiating review of the HMP on May 3, 2021



# Projected City Cost Share

Description	Improved Project Cost <sup>1</sup>	Project Contingency	Engineering Costs <sup>5</sup>	FEMA Eligible Cost w/CEF	Potential Mitigation <sup>4</sup>	City's Share
SD <sup>3,6</sup>	\$ 25,000,264.20	\$ 2,380,903.92		\$ 8,089,462.00	\$ 6,578,062.00	\$ 12,713,644.12
ULD <sup>3,6</sup>	\$ 1,848,246.01	\$ 146,674.60		\$ 688,650.00	\$ 678,235.00	\$ 628,035.61
NLD <sup>2,6</sup>	\$ 1,410,560.89	\$ 113,106.09		\$ 14,264.32	\$ 830,539.31	\$ 678,863.35
PLD <sup>2,6</sup>	\$ 1,148,907.11	\$ 97,740.71		\$ 128,521.00	\$ 731,771.66	\$ 386,355.17
Utilities Relocate SD						\$ 750,000.00
Easement Plats			\$ 12,000.00			\$ 12,000.00
Design and Permitting (TO 1)			\$ 2,018,908.00			\$ 2,018,908.00
ER and PER			\$ 21,416.50			\$ 21,416.50
Construction RPR			\$ 1,397,823.49			\$ 1,397,823.49
QA Testing			\$ 1,532,538.05			\$ 1,532,538.05
Construction Admin.			\$ 2,135,417.40			\$ 2,135,417.40
Post Const.			\$ 284,685.00			\$ 284,685.00
LOMR Prep & Submittal			\$ 16,302.00			\$ 16,302.00
LOMR Reveiws fees						\$ 15,000.00
Capitalized Interest (during construction)						\$ 1,320,000.00
Local Legal Fees						\$ -
Bond Council Fees						\$ 12,500.00
Owner Adm. Costs						\$ -
NC General Assembly contribution						\$ (12,000,000.00)
<b>TOTAL</b>	<b>\$29,407,978</b>	<b>\$ 2,738,425.32</b>	<b>\$ 7,419,090.44</b>	<b>\$8,920,897</b>	<b>\$8,818,608</b>	<b>\$11,923,489</b>

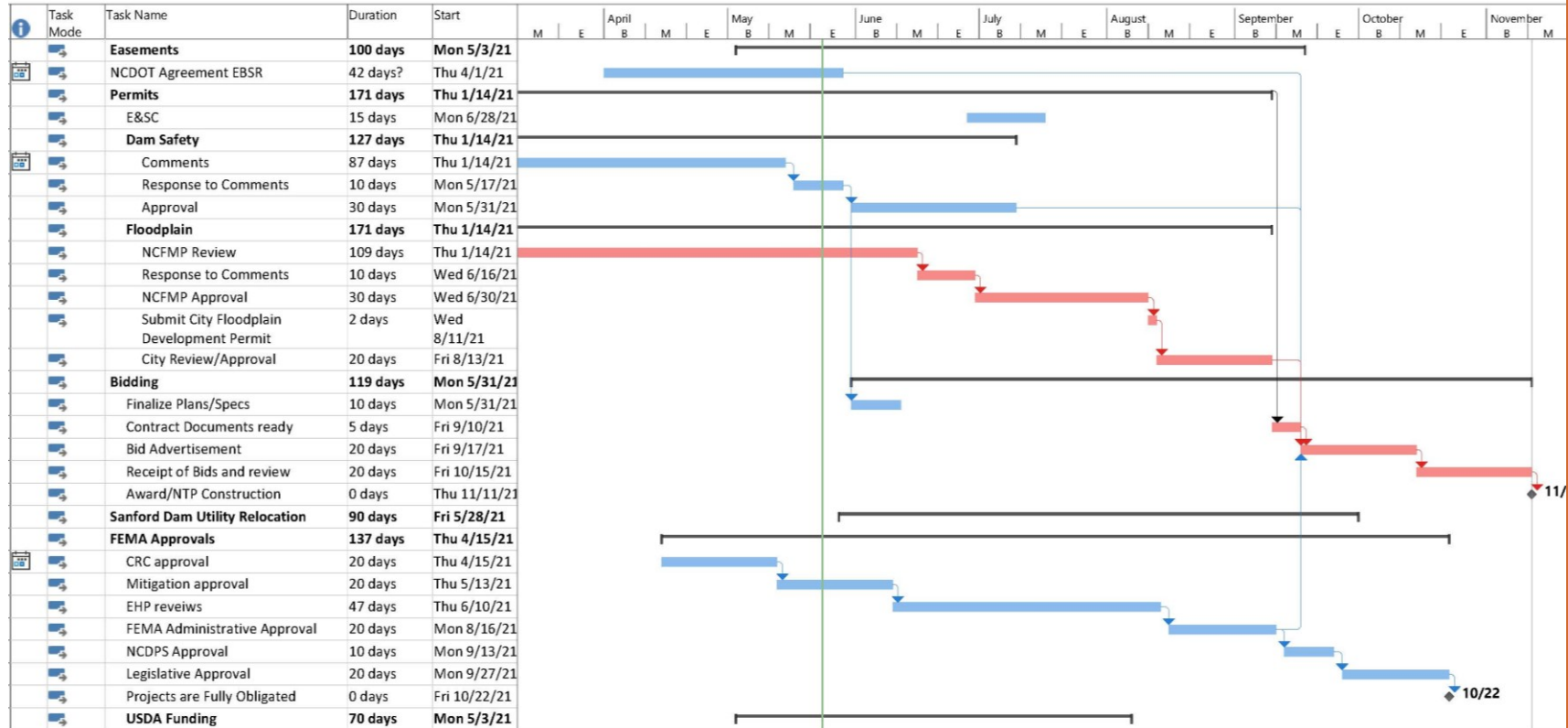


# USDA

Required Document	Status
Eight Steps documentation	<ul style="list-style-type: none"><li>• Submitted 3/9/21</li><li>• Pending comments</li></ul>
Preliminary Engineering Report	<ul style="list-style-type: none"><li>• Submitted 3/9/21</li><li>• Revised 4/26/21</li><li>• 2<sup>nd</sup> Revision 5/21/21</li></ul>
Environmental Report	<ul style="list-style-type: none"><li>• Submitted 4/9/21</li><li>• Pending comments</li></ul>
Draft Engineering Services Agreement	<ul style="list-style-type: none"><li>• Submitted 5/21/21</li></ul>



# Critical Path



## Near Term Next Steps

- ✖ EBSR resolution adoption
- ☐ Obtain easements and complete E&SC permitting
- ☐ Complete preliminary USDA submittals
- ☐ Agree on final funding obligation with FEMA
- ☐ Authorize next Engineering Services Task Order
- ☐ Determine fate of Legislative earmark and Disaster Relief Bill rider



# Funding Alternatives - #1 “Legislative Fix”

## “Legislative Fix” Alternative

- 1) For 2021, a likely range of 13 to 20 named storms (winds of 39 mph or higher), of which 6 to 10 could become hurricanes (winds of 74 mph or higher), including 3 to 5 major hurricanes (category 3, 4 or 5; with winds of 111 mph or higher) is expected.
- 2) Congress includes rider to a supplemental appropriations bill to FEMA for storm damage that would require FEMA to return to repair of storm damage to **“current codes and standards”** as opposed to November 2020 change of **“pre-storm condition plus mitigation”** standard that has caused funding gap.
- 3) Interim financing required to cover gap financing pending 25% of FEMA funds withheld until project closeout.
- 4) No USDA borrowing needed since all costs covered 75% by FEMA and 25% by NC.



# Funding Alternatives - #2 “Group Funding”

## “Group Funding” Alternative

- 1) FEMA Contribution - \$ 17,739,505
- 2) NC Contribution - \$ 12,000,000
- 3) City Share - \$ 11,923,489
  - 1) Possible Other Funding Sources
    - 1) 2021 Federal Infrastructure Bill
    - 2) “Earmark” appropriation from Federal representatives
- 4) Local Government Commission may allow borrowing by City without bond referendum
- 5) If referendum not required, then no delay in project
- 6) Interim and permanent financing (USDA) will be required



# Funding Alternatives - #3 “Go It Alone” Funding

## “Go It Alone” Alternative

- 1) FEMA Contribution - \$ 17,739,505
- 2) City Share - \$ 23,923,489
  - 1) Possible Other Funding Sources
    - 1) 2021 Federal Infrastructure Bill
    - 2) “Earmark” appropriation from Federal representatives
- 3) Local Government Commission will require the City to hold a bond referendum to borrow funds.
- 4) Would delay project until after May 2022 vote on bond referendum
- 5) Interim and permanent financing (USDA) will be required



# Property Tax Effects

- Without Middle Dam (\$ 2,103,474)

Assumes \$ 0.01 property tax generates \$ 49,000

2.5% Interest Rate

	Loan Amount	Loan Term (Years)		
		30	35	40
Legislative Fix	-	-	-	-
Group Funding	11,923,489	\$ 0.115	\$ 0.104	\$ 0.096
Go It Alone	23,923,489	\$ 0.231	\$ 0.209	\$ 0.193



# Property Tax Effects

- With Middle Dam (\$ 2,103,474)

Assumes \$ 0.01 property tax generates \$ 49,000

2.5% Interest Rate

	Loan Amount	Loan Term (Years)		
		30	35	40
Legislative Fix	2,103,474	\$ 0.020	\$ -	\$ -
Group Funding	14,026,963	\$ 0.136	\$ 0.123	\$ 0.113
Go It Alone	26,026,963	\$ 0.252	\$ 0.228	\$ 0.210

