

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 274
Committee Substitute Favorable 7/14/97

Short Title: Low Pressure Pipe Emerg. Funds.

(Public)

Sponsors:

Referred to:

February 19, 1997

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE THE LOW PRESSURE PIPE NETWORK REPLACEMENT
3 EMERGENCY FUND AND TO APPROPRIATE MONEYS TO THE FUND.

4 The General Assembly of North Carolina enacts:

5 Section 1. Chapter 162A of the General Statutes is amended by adding a new
6 Article to read:

7 "ARTICLE 8.

8 "Low Pressure Pipe Network Replacement Emergency Fund.

9 "**§ 162A-110. Definitions.**

10 (1) Fund. – Low Pressure Pipe Network Replacement Emergency Fund
11 created pursuant to this Article.

12 (2) Pump and haul. – Pumping of the liquid waste (effluent) from the
13 common collection tank by a carrier into the carrier's equipment for
14 transportation to a municipal sewer connection point where it is
15 discharged.

16 (3) Infrastructure. – All effluent transport and delivery piping, pumps, and
17 storage/treatment tanks from the private/public right-of-way interface at
18 the street for each homesite to and including the common collection area
19 utility lot.

1 **"§ 162A-111. Fund: established; earnings.**

2 (a) Fund Established. – There is established the Low Pressure Pipe Network
3 Replacement Emergency Fund in the State Treasurer's Office. The Fund shall be
4 administered by the Department of Commerce. Funds in the Low Pressure Pipe Network
5 Replacement Emergency Fund shall be used only in accordance with this Article.

6 (b) Fund Earnings, Assets, and Balances. – The State Treasurer shall hold the
7 Fund separate and apart from all other moneys, funds, and accounts. Investment earnings
8 credited to the assets of the Fund shall become part of the Fund. Moneys in the Fund
9 shall not revert at the end of any fiscal year. Payments from the Fund shall be made on
10 the warrant of the Department of Commerce.

11 **"§ 162A-112. Fund: purposes.**

12 Moneys from the Fund may be used to finance projects to provide for the interim
13 repair, permanent connection, and system buyout of failing or failed community low
14 pressure pipe systems. Moneys from the Fund may also be used for any of the following
15 purposes associated with the permanent connection of community low pressure pipe
16 systems to municipal sewage treatment systems:

- 17 (1) Interim repair costs to mitigate pump and haul charges until permanent
18 connection can be made.
- 19 (2) Design, engineering, bidding, and construction costs with five percent
20 (5%) contingency.
- 21 (3) Costs of acquisition of easements necessary for permitting the
22 construction.
- 23 (4) Municipal and county impact fees, system buyout fees, and tap-on fees.
- 24 (5) The cost of decommissioning community low pressure pipe field
25 systems.

26 **"§ 162A-113. Fund: grant criteria and eligibility.**

27 (a) Any unit of local government may apply for a grant under this section on
28 behalf of its citizens.

29 (b) The criteria for issuing a grant under this Article are that the low pressure pipe
30 system has failed or has been declared a public health risk, hazard, or nuisance by the
31 appropriate county environmental health agency and that either the infrastructure cannot
32 be fully rebuilt to satisfy current county health code requirements or it is not cost-
33 effective to rebuild or maintain the low pressure pipe system.

34 (c) The Department of Commerce shall select the applicants to receive grants
35 under this Article and shall administer the grants.

36 **"§ 162A-114. Fund: sources of revenue.**

37 The Low Pressure Pipe Network Replacement Emergency Fund shall consist of any
38 moneys appropriated by the General Assembly from the General Fund and any moneys
39 granted to the Fund from the Clean Water Management Trust Fund established under
40 G.S. 113-145.3.

41 **"§ 162A-115. Department of Commerce has rule-making authority.**

42 The Department of Commerce may adopt rules to implement this Article."

1 Section 2. There is appropriated from the General Fund to the Low Pressure
2 Pipe Network Replacement Emergency Fund the sum of five million dollars (\$5,000,000)
3 for the 1997-98 fiscal year. The Low Pressure Pipe Network Replacement Emergency
4 Fund shall have first priority for a grant from the Clean Water Management Trust Fund in
5 an amount equal to the difference between five million dollars (\$5,000,000) and any
6 amount appropriated from the General Fund by this act. The funds appropriated to the
7 Low Pressure Pipe Network Replacement Emergency Fund by this act are in addition to
8 the one million nine hundred thousand dollars (\$1,900,000) already advanced by the State
9 for resolution of the community low pressure pipe interim repair and permanent
10 connection in Wake County. The Department of Commerce shall award grants from the
11 Low Pressure Pipe Network Replacement Emergency Fund for the 1997-98 fiscal year to
12 Wake County to be allocated as grants for the following areas: Stonebridge VI, Stone
13 Creek, Park Ridge, Hollybrook, Woods of Tiffany, Banbury Woods, River Oaks,
14 Sheffield Manor, Monticello, Manchester, and Saddleridge. If Federal Emergency
15 Management Agency moneys should become available for resolution of the community
16 low pressure pipe interim repair and permanent connection in Wake County, those
17 moneys shall replace the moneys appropriated or granted to the Low Pressure Pipe
18 Network Replacement Emergency Fund by this act. Moneys appropriated or granted
19 pursuant to this act shall not revert but shall remain available until resolution of the
20 community low pressure pipe interim repair and permanent connection in Wake County
21 is completed. Upon completion, all unexpended moneys appropriated or granted
22 pursuant to this act shall revert to the General Fund, notwithstanding G.S. 162A-111(b),
23 as enacted by Section 1 of this act.

24 Section 3. This act becomes effective 1 July 1997.