

8/8/2022

**North Carolina
Clean Water State Revolving Fund
And
Bipartisan Infrastructure Law CWSRF
General Supplemental Funds
Intended Use Plan
Fiscal Year 2022**

Revised 8/8/2022

Division of Water Infrastructure

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1. Introduction

The Division of Water Infrastructure (Division) is part of the North Carolina Department of Environmental Quality (NCDEQ). The Division administers financial assistance programs to assist local government units (LGUs) and non-profit water/wastewater utilities¹ in constructing projects that both benefit water quality and improve the human environment.

In 2013 the North Carolina General Assembly created the State Water Infrastructure Authority (Authority) to determine the eligibility of projects for certain water infrastructure funding programs, including the Clean Water State Revolving Fund (CWSRF), consistent with federal law. The priorities reflected in this document have been approved by the Authority.

Specific to this document, the Division administers the federal-state CWSRF program as established by Title VI of the Federal Water Pollution Control Act (a.k.a. Clean Water Act) as amended in 1987. The CWSRF program offers loans to LGUs at interest rates lower than market rates for clean water infrastructure. As a LGU repays the loan, the monies are again loaned out, hence the revolving nature of the program. All loan repayments must go back into the CWSRF. This Intended Use Plan (IUP) serves to explain how the capitalization grant will be used and the CWSRF will operate.

The IUP is incorporated into the capitalization grant agreement and becomes the grant work plan. Combined, the operating agreement, grant agreement, IUP, Clean Water Act, Code of Federal Regulations, and state statutes set the program requirements for the CWSRF. The IUP identifies anticipated projects scheduled for loan commitments from the CWSRF. It also explains how the CWSRF will utilize a priority rating system to identify those projects that will address the greatest need and/or provide the greatest positive environmental impact on the water resources in North Carolina.

2. Financial History

Congress appropriates an overall CWSRF funding level that is allocated to states based on percentages in the Clean Water Act. This allocation has not been updated since the 1987 amendments that established the CWSRF. The North Carolina allocation is approximately 1.8% of the national appropriation. Capitalization grants, including the required State match, enable increasing amounts of loan commitments. This is due to loan repayments being loaned again, thereby providing public benefits repeatedly through time. While providing substantial support, this infrastructure financing has only met a small percentage of the clean water infrastructure needs for LGUs in North Carolina. However, if capitalization grants continue (or are increased), the program will better be able to meet infrastructure financing needs for LGUs.

Congress appropriated additional funds to the CWSRF in the Infrastructure Investment and Jobs Act of 2021, commonly referred to as the Bipartisan Infrastructure Law (BIL). The BIL appropriated additional funds for five fiscal years (FY2022-FY2026), referred to as the CWSRF General Supplemental Funding (or BIL Supplemental CWSRF for short), to supplement the base CWSRF program and its yearly appropriations. The BIL also appropriated funds specifically to address emerging contaminants issues, plans for which will be described in a separate IUP.

¹ For brevity, "LGUs" in this IUP refers to eligible entities, including local government units and non-profit utilities.

3. Programmatic Goals

Pursuant to the Clean Water Act, the State must identify the goals and objectives of its water pollution control revolving fund (i.e., the CWSRF). The State has the following goals for its CWSRF program:

3.1. Overall CWSRF Program Goal

Provide funding for clean water infrastructure while advancing the NCDEQ's mission to provide science-based environmental stewardship for the health and prosperity of ALL North Carolinians and to advance the water quality goals of CWA while targeting the most needy systems.

3.2. Short-Term Goal

Continue efforts to inform local government units of the availability of funds, benefits of the CWSRF program, and funding process improvements.

3.3. Long -Term Goals

Goal #1: Continue efforts to streamline the funding process to ensure the funds are used in an expeditious and timely manner in accordance with §602(b)(4) of the Clean Water Act.

Goal #2: Aid compliance with state and federal water quality standards by all funded publicly-owned wastewater treatment works.

Goal #3: Ensure the technical integrity of CWSRF projects through diligent and effective planning, design, and construction management.

Goal #4: Ensure the long-term viability of the CWSRF program through effective financial practices.

Goal #5: Ensure the priority system reflects the NCDEQ's and the Authority's goals.

4. Information on Activities to be Supported

North Carolina's program will continue to be one of low-interest loans, supplemented with principal forgiveness as allowed by §603(i)(3) of the Clean Water Act. The State intends to access 4% (\$2,120,160) of the capitalization grant for the administrative costs associated with running the program. These costs include application review, engineering report and environmental document review, design review, loan processing, construction inspection, and repayment processing and accounting for funded projects.

In addition to funding infrastructure projects, the CWSRF also allows the use of capitalization grant funds for technical assistance. Up to 2% (\$1,060,080) of the CWSRF capitalization grant and BIL Supplemental CWSRF Capitalization Grant may be used for technical assistance. Technical assistance may be carried out directly by the Division or the Division of Water Resources in the Department of Environment Quality and through contracts with other agencies and organizations. The Division intends to use technical assistance set asides to fund Division efforts to implement the State's Viable Utility program and assist rural, small, and tribal publicly owned treatment works.

The Viable Utility program works directly with local government units identified as being Distressed as defined by State law to meet requirements to conduct utility asset condition and risk assessment, develop a system operational and maintenance plan, perform a rate study that supports operations, maintenance, and replacement of infrastructure, develop a long term and short-term financial plans for long term utility viability. Technical assistance may be provided to assist disadvantaged communities in preparing for potential CWSRF projects. The Division reserves the right to use unused portions of the technical assistance set aside at a later date.

The Division reserves the authority to transfer BIL funds between the DWSRF and CWSRF from this year's capitalization grant at a later date and apply it to a future year's capitalization grant.

The following table provides a summary of the projected funds available as a result of the Federal capitalization grant. With the two FY2022 capitalization grants, state matches, and projections of repayments from active loans, disbursements to active projects, and use of set-asides during the fiscal year, the CWSRF is projected to end with approximately \$560 million in cash at the end of the fiscal year, including amounts that are obligated (but not yet disbursed) to active projects. Based on cash-flow models, approximately \$660 million is expected to be disbursed for active projects in future years. Revenues from repayments of loans and new capitalization grants are expected to cover the difference.

Sources and Uses For the Life of the Program										
Historic Sources and Uses			(From CWNIMS)							
	Revenues					Expenditures			Net For FY	Cumulative Net
FY	Title VI Cap	State Match	Repayments Principle	Repayments Interest	Interest Earned	Project Disbursements	4% Admin	Set-Asides		
1989	\$22,677,869	\$4,535,574							\$27,213,443	\$27,213,443
1990	\$33,020,181	\$6,604,036				\$832,959	\$201,999		\$38,589,259	\$65,802,702
1991	\$39,039,068	\$7,807,814	\$93,098	\$26,095		\$2,325,135	\$428,363		\$44,212,577	\$110,015,279
1992	\$35,066,790	\$7,013,358	\$96,512	\$57,455	\$2,604	\$16,935,791	\$631,067		\$24,669,861	\$134,685,140
1993	\$34,688,907	\$6,937,781	\$312,847	\$279,547	\$25,906	\$53,307,895	\$735,053		-\$11,797,960	\$122,887,180
1994	\$21,523,986	\$4,304,797	\$2,031,416	\$1,149,187	\$82,487	\$36,500,242	\$815,408		-\$8,223,777	\$114,663,403
1995	\$22,229,658	\$4,445,931	\$4,751,663	\$3,481,087	\$334,091	\$41,628,927	\$1,078,750		-\$7,465,247	\$107,198,156
1996	\$36,412,875	\$7,282,573	\$6,640,508	\$4,687,320	\$953,958	\$33,089,280	\$1,428,751		\$21,459,203	\$128,657,359
1997	\$11,247,984	\$2,249,596	\$10,694,842	\$6,122,694	\$1,762,067	\$35,858,322	\$1,772,360		-\$5,553,499	\$123,103,860
1998	\$24,302,619	\$4,860,523	\$12,266,033	\$5,877,291	\$2,861,611	\$32,646,756	\$1,667,740		\$15,853,581	\$138,957,441
1999	\$24,304,599	\$4,860,919	\$15,416,998	\$7,474,609	\$3,951,306	\$19,434,231	\$1,609,647		\$34,964,553	\$173,921,994
2000	\$24,222,231	\$4,844,446	\$16,091,644	\$6,976,287	\$5,062,731	\$43,995,537	\$1,549,377		\$11,652,425	\$185,574,419
2001	\$24,006,906	\$4,801,381	\$17,073,660	\$7,133,702	\$5,323,531	\$52,275,405	\$1,601,947		\$4,461,828	\$190,036,247
2002	\$24,060,366	\$4,812,073	\$20,133,928	\$8,759,606	\$5,219,200	\$60,898,838	\$1,464,268		\$622,067	\$190,658,314
2003	\$23,903,946	\$4,780,789	\$21,082,695	\$9,061,238	\$5,391,271	\$49,986,344	\$1,363,979		\$12,869,616	\$203,527,930
2004	\$23,918,400	\$4,783,680	\$24,881,118	\$10,516,594	\$4,735,840	\$40,675,883	\$1,373,264		\$26,786,485	\$230,314,415
2005	\$19,447,857	\$3,889,571	\$25,576,460	\$10,343,438	\$4,811,322	\$67,022,666	\$1,774,524		-\$4,728,542	\$225,585,873
2006	\$15,804,261	\$3,160,852	\$27,163,010	\$10,053,528	\$5,552,843	\$65,232,990	\$1,813,433		-\$5,311,929	\$220,273,944
2007	\$19,316,385	\$3,863,277	\$31,235,426	\$11,983,058	\$6,959,845	\$89,612,981	\$1,950,049		-\$18,205,039	\$202,068,905
2008	\$12,281,247	\$2,456,249	\$35,248,991	\$12,528,511	\$8,866,941	\$39,030,703	\$1,981,175		\$30,370,061	\$232,438,966
2009	\$12,281,148	\$2,456,230	\$36,715,791	\$12,213,960	\$9,365,937	\$62,821,405	\$1,880,879		\$8,330,782	\$240,769,748
2009 ARRA	\$70,729,100									
2010	\$36,773,000	\$7,354,600	\$40,793,762	\$13,011,181	\$3,737,429	\$89,278,230	\$2,829,164		\$9,562,578	\$250,332,326
2011	\$26,650,000	\$5,330,000	\$44,499,092	\$13,343,726	\$2,544,846	\$75,822,573	\$1,225,767		\$15,319,324	\$265,651,650
2012	\$25,507,000	\$5,101,400	\$50,747,102	\$13,961,676	\$1,997,212	\$92,326,265	\$0		\$4,988,125	\$270,639,775
2013	\$24,096,000	\$4,819,200	\$57,103,194	\$12,641,174	\$1,131,131	\$111,420,255	\$2,189,477		-\$13,819,033	\$256,820,742
2014	\$25,304,000	\$5,060,800	\$52,085,979	\$14,244,396	\$1,031,247	\$96,624,370	\$1,502,219		-\$400,167	\$256,420,575

2015	\$25,175,000	\$5,035,000	\$54,433,833	\$14,793,448	\$2,107,019	\$125,900,815	\$1,494,060		-\$25,850,575	\$230,570,000
2016	\$24,113,000	\$4,822,600	\$66,280,242	\$15,049,112	\$591,974	\$102,943,029	\$1,007,000		\$6,906,899	\$237,476,899
2017	\$23,928,000	\$4,785,600	\$63,243,272	\$14,019,493	\$6,144,737	\$110,022,818	\$964,520		\$1,133,764	\$238,610,663
2018	\$28,967,000	\$5,793,400	\$65,069,666	\$16,058,602	\$5,480,830	\$65,751,180	\$957,120		\$54,661,198	\$293,271,861
2019	\$28,676,000	\$5,735,200	\$66,676,292	\$15,430,220	\$8,194,850	\$46,725,169	\$1,158,680		\$76,828,713	\$370,100,574
2020	\$28,590,000	\$5,736,000	\$76,395,801	\$14,144,801	\$9,575,286	\$136,456,346	\$1,057,040		-\$3,071,498	\$367,029,076
2021	\$28,676,000	\$5,735,200	\$199,020,018	\$13,099,212	\$6,372,851	\$110,004,165	\$1,143,600		\$141,755,516	\$508,784,592
2022 Base	\$20,882,000	\$4,176,400								
2022 BIL General Suppl.	\$32,122,000	\$3,212,200								
Totals	\$953,945,383	\$173,449,050	\$1,143,854,893	\$298,522,248	\$120,172,903	\$2,007,387,505	\$42,650,680		\$639,906,292	
Projected Sources and Uses for FY 2022				(Based on Availability Model)						
			\$60,000,000	\$9,000,000	\$5,000,000	\$150,000,000	\$2,120,160	\$1,060,000	-\$79,180,160	
									\$560,726,132	
Projected Uses for Active Projects beyond FY 2022										
(Does not take into account future funding rounds or revenues which cover the negative)						\$660,000,000				
									-\$99,273,868	

Values in RED are approximate values.

5. Criteria and Methods for Distributing Funds

5.1. Project List and Prioritization

The Intended Use Plan Project Priority List may be supplemented or replaced based on applications received as a part of future funding cycles (see 5.2. below). Applications that are received in one funding cycle and are not selected for funding will be reconsidered in one more cycle (the next one) for funding. The State's ranking for construction loan projects will be based on the Priority Rating System (see Appendix C).

The Priority Rating System considers four elements of a project: (1) project purpose, (2) project benefit, (3) system management, and (4) affordability.

For project purpose, the Division places higher priority on projects that will consolidate nonviable systems, resolve issues associated with failed or failing infrastructure, rehabilitate or replace infrastructure, or serve disadvantaged areas. Projects that reduce nonpoint source pollution (e.g., stormwater best management practices) are also prioritized. The Division generally prioritizes replacement and rehabilitation over building new infrastructure.

In terms of project benefits, the Division seeks to prioritize projects where replacement, repair, resiliency, regionalization, partnerships, or merger will provide an environmental benefit. For example, the Division more highly prioritizes projects that benefit impaired waters and/or replaces failing septic tanks.

In addition to correcting water quality issues, the Division desires to support those LGU systems that seek to be proactive in their system management, including prioritization points for having implemented asset management plans and appropriate operating ratios.

The Division also takes into account the ability of the applicant to afford projects. For example, those applicants who have a high poverty rate, high utility bills, lower population growth, lower median household incomes, and higher unemployment receive higher priority. Projects the benefit disadvantaged areas receive additional priority points.

The Authority may adjust the rank of any application based on its analysis of a proposed project's value that is consistent with, but not evident in, the priority criteria system, provided it is consistent with federal law.

5.2. Application and Project Deadlines

The CWSRF program operates on a priority basis and accepts funding applications semi-annually. Projects are allocated funding in priority order (as noted above) and within special reserve requirements (e.g. Principal Forgiveness Reserve, etc. as described herein) until available funds are exhausted. Funding availability is determined based on the 2022 capitalization grant and associated state match. Results will be posted on the program's website. Project funding is contingent on adherence to the schedule below in accordance with § 159G-41 (**times listed are measured from Letter of Intent to Fund except as noted otherwise**):

- 5.2.1. Funding application and supporting information must be received by the application deadline to be considered for any given funding cycle.
- 5.2.2. After the Authority provides final project rank eligibilities, the CWSRF program will issue Letters of Intent to Fund (LOIF) based on the projects' prioritization and the amount of funds being made available in the cycle.
- 5.2.3. Within four months of the issuance of the LOIF, a complete Engineering Report / Environmental Information Document must be submitted to the CWSRF program.
- 5.2.4. Within nine months, the Engineering Report / Environmental Information Document must be approved.
- 5.2.5. Within 15 months, complete plans and specifications must be submitted with copies of all required permits, encroachments, etc., or evidence that applications for remaining required permits have been submitted to the respective permitting agency.
- 5.2.6. Within 19 months, the plans/specifications and all required permits must be approved/issued.
- 5.2.7. Within 23 months, the following events/items must be completed/received:
 - 5.2.7.1. Advertise the project for bids
 - 5.2.7.2. Receive bids
 - 5.2.7.3. Submit bid information to CWSRF staff
 - 5.2.7.4. Obtain the Division's Authority to Award Construction Contracts.
- 5.2.8. Within 24 months, construction contracts must be executed.

Notes:

- 1) **The milestones in the timeline above are absolute for all projects in a particular cycle and will not be extended except based upon a demonstrated need for extension by the LGU. Projects may be able to meet these milestones ahead of schedule. However, in the event that any milestone noted above is not met, work by the CWSRF staff may be suspended and all documents returned to the Applicant until the proposed project is resubmitted for consideration during a future cycle.**
- 2) **If an Applicant desires CWSRF funding and the Applicant's project requires an Environmental Impact Statement (EIS), Division staff will manage the environmental review process. However, a funding application for the project will not be accepted in any funding cycle until a draft EIS has been sent to the State Clearinghouse (SCH). In the event that a fundable project is in process and the environmental review completed within the timeline results in the conclusion that an EIS is required, then the milestone deadlines for the project will be suspended until a draft EIS has been sent to the SCH. After the draft EIS is sent to the SCH, the project must adhere to the same time frames specified above.**

5.3. Detailed Loan and Project Funding Criteria

5.3.1. General

- 5.3.1.1. To be eligible for CWSRF funding, a project must be on the Intended Use Plan Project List.
- 5.3.1.2. Funding can be provided for any eligible projects as provided for in the Clean Water Act and NCGS 159G, including wastewater treatment facilities, collection systems, stream restorations, stormwater SCMs, etc. that improve water quality.
- 5.3.1.3. Funding will be provided in priority order based on project score, Authority determination, and the amount of funds made available with consideration of principal forgiveness reserve detailed below. Projects cannot be substantively changed once funding is allocated.
- 5.3.1.4. The maximum CWSRF loan amount will be established at \$35 million per applicant per funding round.
- 5.3.1.5. The maximum CWSRF loan availability per applicant is not more than \$200,000,000 in outstanding debt to the CWSRF program.
- 5.3.1.6. Notwithstanding the limits in Items 5.3.1.4., and 5.3.1.5., if availability of funds exceeds project demand, these limits may be exceeded to ensure all available funds are utilized. Exceeding the maximum provided in Item 5.3.1.4. will be considered prior to Item 5.3.1.5.
- 5.3.1.7. A project may be funded with a targeted interest rate if the project is eligible for principal forgiveness as described in 5.3.2 below. For projects that are eligible for 75% or more principal forgiveness, the targeted interest rate will be 0%. For projects that are eligible for 50% or 25% grant funding, the targeted interest rate will be 1 percentage point lower than the Division's base interest rate (but no less than zero percent).

5.3.2. Principal Forgiveness

- 5.3.2.1. Communities that are eligible to receive principal forgiveness are defined as disadvantaged communities. Based on the current proposed appropriation, a minimum of 20% (\$4,176,400) of the base CWSRF Capitalization Grant and 49% (\$15,739,780) of the BIL General Supplemental CWSRF Capitalization Grant will be used to provide additional subsidization in the form of principal forgiveness to disadvantaged communities.
- 5.3.2.2. The Division will provide additional subsidization to projects in the categories provided in 5.3.2.2.1 – 5.3.2.2.3 in project priority order. The

Division will provide principal forgiveness to a project based on only one of the categories provided in 5.3.2.2.1 – 5.3.2.2.3.

5.3.2.2.1. Non-viable rescue: Projects that eliminate a non-viable system to benefit a disadvantaged community with a financial need consistent with the criteria in 5.3.2.2.2 and served by a public wastewater system will receive principal forgiveness for the full amount of the loan up to \$3,000,000. The disadvantaged community either meets the affordability criteria listed in 5.3.2.2.2 or is representative of the criteria.

5.3.2.2.2. Affordability: Projects that receive project purpose points when the applicant has less than 20,000 residential wastewater connections, at least three (3) of five (5) LGU economic indicators (“LGU indicators”) worse than the state benchmark, an operating ratio (future) of less than 1.3, utility rates greater than the state median, and/or project cost per connection that project to increase the utility rates above the 70th percentile of state-wide utility rates will receive principal forgiveness following the affordability criteria grant percentage matrix found in Appendix D.

Projects that receive project purpose points when the benefiting system has been designated as distressed per NCGS § 159G-45, has utility rates greater than the state median, and/or project cost per connection that project to increase the utility rates above the 70th percentile of state-wide utility rates will receive principal forgiveness percentages following the affordability criteria grant percentage matrix found in Appendix D.

Principal forgiveness will range from 25% to 100% in increments of 25% up to \$500,000 per applicant per round with the targeted interest rate as described under 5.3.1.7 applied to the remaining portion of the loan.

5.3.2.2.3. Disadvantaged Area: Projects for which at least 50% of the project costs are to benefit disadvantaged areas will receive principal forgiveness for 50% of the project costs that are related to benefiting disadvantaged areas, up to \$500,000.

The targeted project area will be determined a “disadvantaged area” based on factors that shall include

affordability of water and sewer service rates relative to the income levels of residents in the disadvantaged area, median household income, poverty rates, property values, and/or employment rates of the targeted project area. Additional factors that may qualify the targeted project area as disadvantaged, such as but not limited to demographic, historical, cultural, linguistic, socioeconomic stressors, cost-of-living stressors, or existing contamination factors, may also be considered. Applicants must provide a narrative in the application to justify the targeted project area as disadvantaged using the factors above, and may use maps or other existing sources to document their justification. For example, applicants can demonstrate a targeted project area is a disadvantaged area if it falls within a Potentially Underserved Block Group or Tribal boundary layer in the North Carolina Department of Environmental Quality's Community Mapping System, or similar state or federal maps.

5.3.2.3. Notwithstanding the above limits in Items 5.3.2.2.2 and 5.3.2.2.3, if availability of principal forgiveness funds exceeds project demand, the limits may be exceeded in project priority order to ensure all available funds are utilized in the following order:

5.3.2.3.1. Affordability limit of \$500,000 in item 5.3.2.2.2 may be exceeded up to the grant percentage determined in the affordability grant percentage matrix found in Appendix D, and disadvantaged area limit of \$500,000 in item 5.3.2.2.3 may be exceeded up to 50% of the project costs that are related to benefiting the disadvantaged areas.

5.3.2.3.2. Affordability percentages determined in 5.3.2.2.2 and 5.3.2.2.3 may be exceeded by 10% not to exceed 100% for eligible projects in priority order. If funds remain after all eligible projects receive the percent increase, principal forgiveness percentages can be increased by additional 10% increments (not to exceed 100%) for eligible projects until principal forgiveness funds are utilized.

5.3.2.4. Principal forgiveness is not available for green projects.

5.3.3. Green Projects

5.3.3.1. Not less than 10% (\$5,300,400) of the FY2022 base CWSRF and the BIL

General Supplemental CWSRF federal capitalization grant appropriations will be provided for green projects, provided there are sufficient applications to utilize this reserve. Funding may bypass a higher priority project to satisfy the Green Project Reserve. Any such bypassing will be shown in the Intended Use Plan Project Priority List. If sufficient applications are not received to utilize this reserve after two cycles of funding applications, funds may be utilized for non-green projects. However, the State will continue to conduct outreach to promote green project funding opportunities. Green projects funded through the Green Project Reserve will receive targeted interest rates.

5.3.3.2. Notwithstanding the above paragraph, the State will offer targeted interest rates to green projects beyond the requirements of the capitalization grant consistent with the priority rating system.

5.3.3.3. A green project will be eligible for a 1% reduction from the targeted interest rate (but not less than zero percent).

5.3.3.4. Principal forgiveness is not available for green projects

5.3.4. Decentralized Wastewater Treatment System Pilot Program (DWTSP)

5.3.4.1. Not more than \$1,000,000 of available CWSRF may be provided for applicants for the decentralized wastewater treatment system pilot program, provided there are sufficient applications to utilize the funds. Funding may bypass a higher priority project. Any such bypassing will be shown in the Intended Use Plan Project Priority List.

5.3.4.2. The Decentralized Wastewater Treatment System Pilot Program will be a pass-through funding program where the CWSRF recipient passes funding to qualified recipients with failed or malfunctioning decentralized wastewater systems including onsite wastewater, single family non-discharge systems, or single-family discharge facilities, to repair or replace those systems.

5.3.4.3. Eligible entities for pass-through funding must meet award specific affordability criteria established prior to disbursement of funds. The project specific affordability criteria will be based on criteria established in Section 5.3.2.

5.3.4.4. The State will offer 0% targeted interest rate to recipients.

5.3.4.5. Principal forgiveness eligibility will not exceed 50% of the full amount of the award.

5.3.5. Miscellaneous Criteria/Provisions:

- 5.3.5.1. Davis-Bacon prevailing wage rates apply to loans as required by grant agreements/conditions.
- 5.3.5.2. American Iron and Steel provisions will apply to loans as required by Federal mandates.
- 5.3.5.3. Build America, Buy America requirements will apply to loans as required by US EPA and by Federal mandates.
- 5.3.5.4. Brooks Act requirements will be applied to projects in a dollar amount equal to or exceeding the capitalization grant.
- 5.3.5.5. The CWSRF loan interest rate is based on ½ of The Bond Buyer’s 20-Bond Index except as specifically allowed herein. The maximum interest rate for each loan will be set at the time of application with a lower interest rate, if available, set at the time of the award offer.
- 5.3.5.6. Approval of a CWSRF loan is contingent on approval by the Local Government Commission (LGC).
- 5.3.5.7. CWSRF loan terms are set by the LGC.
- 5.3.5.8. The maximum CWSRF loan term is determined by State statute and federal requirements.
- 5.3.5.9. A 2% loan fee is required. The loan fee cannot be financed by the CWSRF fund.
- 5.3.5.10. Loan repayments are due in May (principal and interest) and November (interest only) of each year.
- 5.3.5.11. Interest begins accruing on date of completion in the Notice to Proceed.
- 5.3.5.12. The first loan repayment is due no sooner than six months after the completion date as established in the Notice to Proceed.

6. Programmatic Conditions

6.1. Assurances and Specific Proposals

Pursuant to §606(c)(4) of the Clean Water Act, the State of North Carolina certifies that:

- 6.1.1. The State will enter into binding commitments for 120% of the amount of each payment received under the capitalization grant within one year after receipt of each payment.

- 6.1.2. The State will expend all funds in the CWSRF in an expeditious and timely manner.
- 6.1.3. The State will conduct environmental reviews of treatment works projects according to procedures set forth in its Operating Agreement between the State and US Environmental Protection Agency.

6.2. Federal Requirements

- 6.2.1. The State will ensure that all federal requirements are met as noted in the CWSRF Operating Agreement between the State and US Environmental Protection Agency and the Grant Agreement, including Single Audit, Disadvantaged Business Enterprise compliance, federal environmental crosscutters, and Federal Funding Accountability and Transparency Act (FFATA) reporting requirements.
- 6.2.2. The State will enter all required reporting information at least quarterly into respective federal databases including FFATA, CWSRF National Information Management System (NIMS), and the CWSRF Benefits Reporting (CBR) system.
- 6.2.3. The State will ensure that all applicants to the CWSRF program certify that they meet the fiscal sustainability planning requirements. Such certifications will be received by the time of loan offer.

6.3. Transfer between CWSRF and Drinking Water State Revolving Fund

Transfer of funds between the CWSRF and the Drinking Water State Revolving Fund are authorized by federal statutes. This IUP does not propose any such transfer of funds. However, the Division reserves the ability to make transfers in managing cash flow. If such transfer takes place, a subsequent transfer will be made by transferring that amount back from the receiving fund to the providing fund (i.e., no permanent transfers) as soon as possible.

7. Public Review and Comment

In April 2022, the State Water Infrastructure Authority (Authority) reviewed and updated the Priority Rating System for wastewater projects and approved the draft to be posted for public comments. The Division drafted an Intended Use Plan for the FY2022 Base CWSRF and BIL General Supplemental CWSRF, including the draft Priority Rating System. The Division opened the public review period on May 16, 2022. The public comment period closed on June 15. Comments, questions and responses are below. The public comments and considerations for adjusting the Priority Rating System were presented to the Authority on July 14, 2022. The Authority voted to approve a final Priority Rating System for wastewater projects, as shown in this Intended Use Plan. Other edits in the Intended Use Plan based on public comments are noted below. Public comments and responses are:

Priority Rating System

Comment: Line Item 1.B states “Project will resolve failed or failing infrastructure issues.” The previous priority rating system and guidance defines failed infrastructure, but there is no clear definition of “failing” infrastructure. Please provide guidance as to how the Division

will determine what is defined as “failing” infrastructure and what will be required for submittal to claim these points.

Response: Application guidance documents will define “failing” infrastructure and describe what will be the required documentation to receive these priority points. **No change from Draft IUP/PRS.**

Comment: Line Item 1.C states “Project will rehabilitate or replace infrastructure including by a regionalization project.” The line item is unclear. Provide additional information as to why entities are given additional prioritization instead of increased funding similar to the previous ARPA Plan. Please provide additional detail as to why the “including by a regionalization project” would be added if the project type is rehabilitation or replacement making the project eligible if regionalization is or is not a part of the project.

Response: The additional language is intended to clarify that projects that remove infrastructure in need of rehabilitation or replacement as part of a regionalization process are eligible for these priority points, in addition to projects that do not include a regionalization process. Application guidance documents will describe what will be the required documentation to receive these priority points. **No change from Draft IUP/PRS.**

Comment: Page C-1, will the Division consider adding an age threshold for computer-based system components such as SCADA so that these elements can receive age project purpose points?

Response: Application guidance document provides an age threshold for computer-based elements to qualify for line item 1.C.1 points (more than 20 years old). **No change from Draft IUP/PRS.**

Comment: Line item 1.E, Project will provide service to disadvantaged areas, what is the threshold to claim these points? Will over 50% of construction cost of the project be used to determine eligibility for this line item?

Response: Eligibility requirements for these prioritization points will include:

- At least 75 percent of the total funding requested (project cost) is to provide new service to existing residences in disadvantaged areas.
- Project must include providing connection to the existing residence (e.g., house connection) to a public water system or wastewater system, or to a decentralized system that serves a cluster of residences.
- Projects receiving grant or principal forgiveness must cover any connection fees or system development fees for providing new service connections.

No change from Draft IUP/PRS.

Comment: Suggest increasing line item 1.E, project will provide service to disadvantaged areas, to the full 25 points. This will further incentivize the equitable distribution of funds.

Response: The proposed priority points are a direct result of discussions and recommendations from the State Water Infrastructure Authority (SWIA) to establish priority for the different project purposes. The Authority considers consolidation of a nonviable system as the highest priority. **No change from Draft IUP/PRS.**

Comment: Category 2 – Project Benefits: The draft Drinking Water Priority Rating System added “...resolves managerial, technical & financial issues” to line item 2.B.1, which addresses failed or failing drinking water wells or sources. Wouldn’t this same thing be applicable to

failing or failed wastewater systems? And if it is added, would it only be applicable to distressed or at-risk entities?

Response: The consideration for drinking water projects that resolves managerial, technical & financial issues is only applicable to projects that received priority points for line item 1.A - Consolidate a Nonviable Public Water Supply System or Wastewater Utility. Line items under 2.B only apply to drinking water projects. For wastewater projects, line items under 2.C provide priority points for similar types of projects, and was intended to include prioritization as suggested in the comment. **The Priority Rating System for wastewater projects (line item 2.C.1) is updated to read: Project replaces or repairs certain sewer lines, eliminates failed onsite wastewater system or non-discharge system, or resolves managerial, technical & financial issues.** Line items 2.B and 2.C can be claimed by any applicant, not only those designated as distressed or categorized as at-risk.

Comment: Line Items 2.C.1 and 2.C.2 provide priority points if the project eliminates failed or malfunctioning onsite wastewater systems. The Division has not defined malfunctioning. Please provide a definition and what will be required for submittal to claim these points.

Response: To be eligible for these points, the applicants must provide copies of the notice of violation documenting that the system is malfunctioning per 15A NACA 18A .1961. Application guidance documents will define “malfunctioning” infrastructure and describe what will be the required documentation to receive these priority points. **No change from Draft IUP/PRS.**

Comment: Line Items under the 2.C Project provides a specific environmental benefit appear to only apply for onsite wastewater systems. Please provide information on how the Division will define “onsite wastewater system”. Will repairing or replacing sewer lines responsible for reported sanitary sewer overflows or repairing or replacing equipment to resolve an upset, spill or bypass at treatment works earn points for this line item, as in previous funding rounds? Will resolving managerial, technical, and financial issues earn points for this line item, as in previous funding rounds?

Response: It was not the intention to remove prioritization for projects rehabilitating or replacing certain sewer lines or projects addressing managerial, technical, and financial issues. **The Priority Rating System for wastewater projects line item 2.C.1 is updated to read: Project replaces or repairs certain sewer lines, eliminates failed onsite wastewater system or non-discharge system, or resolves managerial, technical & financial issues.**

Comment: Line item 2.F.1, what is the Division’s definition of merger?

Response: GS 159G defines merger as: *“The consolidation of two or more water and/or sewer systems into one system with common ownership, management, and operation.”* **No change from Draft IUP/PRS.**

Comment: Line item 2.F.2, what is the Division’s definition of regionalization?

Response: GS 159G defines regionalization as: *“The physical interconnecting of an eligible entity’s wastewater system to another entity’s wastewater system for the purposes of providing regional treatment or the physical interconnecting of an eligible entity’s public water system to another entity’s water system for the purposes of providing regional water supply.”* In addition, the Priority Rating System is intended to also prioritize projects that involve regional cooperation and partnerships between two or more utilities at the same level. Partnerships in which one utility manages or operates another utility’s system

(without transfer of ownership) with or without a physical interconnection between the systems will also be prioritized under this line item. To clarify, line item 2.F.2 will now read **“Project includes system regionalization and/or system partnerships”**.

Comment: Line Item 2.F.2 states “Project includes system regionalization.” Please clarify that an applicant can claim points for this line item to complete a project as a result of previous regionalization efforts. These points were previously removed from the priority rating system due to documentation and evaluation issues when evaluating previously regionalized systems when claiming these points. Is it the Division’s intent to penalize systems that have previously completed regionalization work?

Response: The intent is to incentivize new and additional regionalization or new and additional system partnership efforts. Application guidance document will provide information on what documentation is needed to claim these points. **No change from Draft IUP/PRS.**

Comment: Line Item 2.H.3 states “Project addresses an emerging compound without a MCL.” The row above this line items states “2.G-2.H Reserved for other programs.” It appears Line Item 2.H is now eligible to receive priority points in the CWSRF program. Please revise the priority rating system to show Line Item 2.H is included in the CWSRF program.

Response: Line item 2.H.3 is eligible under the revised wastewater priority rating system. **The wastewater priority rating system is updated to indicate line items 2.G-2.H.2 are reserved for other programs.**

Comment: Line Item 2.H.3 states “Project addresses an emerging compound without a MCL.” Please confirm what percentage of the project must address an emerging compound without a MCL to claim these points.

Response: Project benefit points may be awarded if any portion of a proposed project meets the documentation requirements as established in the application guidance document. **No change from Draft IUP/PRS.**

Comment: Line Item 2.H.3 has been revised to state “Project addresses an emerging compound without a MCL.” Please confirm that to obtain these points there only has to be an emerging compound present and no level will be defined.

Response: Application guidance document will establish thresholds as needed to qualify for line item 2.H.3 points. The change in the language for line item 2.H.3 allows the Division to adapt more quickly to changing regulatory and health-based concentration thresholds. **No change from Draft IUP/PRS.**

Comment: Line item 2.H.3, addressing an emerging compound without a maximum contaminant level (MCL), should be awarded more points, perhaps 20. Many emerging compounds will be without an MCL for some time but still pose a threat to water resources and human health. Therefore, projects addressing this issue should receive a substantial portion of the 35 total points available for the Project Benefits section.

Response: The proposed priority points are a direct result of discussions and recommendations from the State Water Infrastructure Authority (SWIA) to establish priority for the different project purposes. The IUP and PRS are for projects that may be funded out of the base SRFs or the BIL General Supplemental SRFs. Dedicated funding for projects addressing emerging contaminants will soon be provided, which will further prioritize these types of projects beyond the scope of this IUP and PRS. It is not the recommendation of staff to prioritize projects addressing an emerging contaminant without an MCL above projects

that address MCL violations in a PRS that is used for both sets of projects. MCLs are established to determine the levels of regulated contaminants that might cause health effects and years of formal rulemaking to establish that control of the regulated contaminant is a cost-effective public health measure. Exceeding an MCL means the water is not "safe" as defined under the Safe Drinking Water Act. Prioritization for projects addressing emerging contaminants that will be funded from the dedicated funding for emerging contaminants will be developed and communicated at a later date. **No change from Draft IUP/PRS.**

Comment: Line Item 2.H.3 "Project addresses an emerging compound without an MCL". The draft proposes to prioritize the mere detected presence of an emerging compound the same as the exceedance of a maximum contaminant level (MCL). MCLs are established after rigorous studies to determine the levels of regulated contaminants that might cause health effects (with an adequate margin of safety), and years of formal rulemaking to establish that control of the regulated contaminant is a cost-effective public health measure.

In contrast, being an "emerging contaminant" means that a compound is suspected of causing health effects at some level - a level that may be much higher than the detection limit. Detecting an emerging contaminant means that the emerging contaminant is present. It reflects detection technology more than a health effect.

Exceeding an MCL means the water is not "safe" as defined under the Safe Drinking Water Act. Detecting an emerging contaminant is similar to detecting a regulated compound a level below the MCL. These are different levels of potential threat to health and deserve different priority.

Response: Removal of "above a health advisory level" as an explicit requirement from line item 2.H.3 in the drinking water priority rating system allows the Division to more quickly adapt to changing regulatory and health-based concentration thresholds that can be updated in the application guidance document between funding rounds. The application guidance document will still establish thresholds needed to qualify for line item 2.H.3 points, including, for instance, exceedance above newly-established Health Advisory Levels. The comment suggests different levels of prioritization for projects addressing emerging contaminants above detection levels versus above higher levels that may indicate potential health effects. The application guidance document will address this by establishing thresholds for line item 2.H.3. **No change from Draft IUP/PRS.**

Comment: Line Item 2.H.3 has been revised to state "Project addresses an emerging compound without a MCL." Please confirm that to obtain these points there only has to be an emerging compound present and no level will be defined. Also, Page 2 mentions "emerging contaminants." Is the Division using the terms emerging compound, emerging contaminant, and emerging pollutant (from DWSRF) synonymously? Please confirm if different definitions for pollutants, contaminants, and compounds will be used. EPA uses and defines the term "emerging contaminant" in the March 8th Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law Memorandum in Attachment 1, Appendices B and C.

Response: The application guidance document will still establish thresholds needed to qualify for line item 2.H.3 points, including, for instance, exceedance above newly-established Health

Advisory Levels. The terms emerging compounds, emerging contaminants, and emerging pollutants were being used synonymously. **The IUP and PRS are now updated to use the term “emerging contaminant” consistently.**

Comment: The Division should provide additional prioritization to address contaminants exceeding the updated health advisory levels (HAL) released by EPA on 6/15/22. Addressing contaminants (i.e., PFAS, PFOA, PFOS, PFBS, HFPO, GenX, etc.) exceeding the updated HAL will present unprecedented challenges to utilities and have overwhelming financial and public health impacts.

Response: The application guidance document will establish thresholds needed to qualify for line items 2.H.3 points for different emerging contaminants, including potentially the newly-established Health Advisory Levels. **No change from Draft IUP/PRS.**

Comment: Line item 2.N, resiliency and critical system functions, applicants should be allowed to receive cumulative points if they satisfy more than one of these criteria. While some of these line items overlap, others are unrelated. For instance, applicants could be incentivized to only consider cybersecurity measures instead of the location within the floodplain because they will only receive one set of points under this line item. In our work to ensure resilience is factored into all applications, we believe this small change could provide significant benefits.

Response: Project benefit points for resiliency may be awarded if any portion of a proposed project meets the documentation requirements. Allowing cumulative points for these line items would provide a significant advantage to projects whose primary purpose was not to provide resiliency. **No change from Draft IUP/PRS.**

Comment: Line Item 2.P has been revised and states “Project directly benefits waters classified as HQW, ORW, Tr, SA, UWL, PNA, AFNA, SAV, WS-I, WS-II, WS-III or WS-IV”. Per NCDWR, PNA, SA, WS-I, and WS-II and other functional nursery areas designated by Marine Fisheries Commission, or the Wildlife Resources Commission are defined in the HQW definition. There is redundancy in the line item and lack of clarity as some of the new additions are already included in the definition of HQW. Also, it appears that not all of the items listed in the line item are water classifications and some could be considered habitat types (i.e., SAV is defined as a coastal habitat). Please clarify.

Response: The Division recognizes that the listing of eligible classifications is confusing and may not give the Division flexibility to assure that project benefiting targeted surface water classifications receive additional prioritization. **Line Item 2.P is updated to read: Project directly benefits specific classified waters.** Details on which surface water classifications are eligible for consideration will be included in the application guidance document.

Comment: In Section 4 – Affordability, Line Items 4.C.1 – 4.C.3 gain points with LGU indicators being worse than the state benchmark in increments of 1. Sometimes individual indicators do not clearly show the nature of the local government unit and could be skewed. Please clarify why the threshold should incrementally increase by 1, when the accuracy could be distorted in one indicator.

Response: Line items 4.C.1 – 4.C.3 provide incrementally higher prioritization to applicants that exhibit increased levels of hardship as measured by the local government unit indicators, as per the intention of the State Water Infrastructure Authority. The application guidance document provides instructions on how an applicant can provide alternative data for

percent population changes, property valuation per capita, or calculating a weighted average of indicators when service is provided to multiple local government units. The Division remains open to other examples of where alternative data may be more representative of an applicant's reality, based on the five local government unit indicators. **No change from Draft IUP/PRS.**

Comment: Line item 4.D, Project benefits disadvantaged areas, what is the threshold to claim these points? Will over 50% of construction cost of the project be used to determine eligibility for this line item?

Response: Applicants must document that at least 50 percent of the total construction cost directly supports a disadvantaged area to be eligible for these priority points. Details will be provided in the application guidance document. **No change from Draft IUP/PRS.**

Comment: Line Item 4.D states "Project benefits disadvantaged areas." Please provide a definition for benefit. If the Division is measuring a "project benefit," it appears this line item should be moved and evaluated in Category 2 – Project Benefit. What percentage of the project must "benefit" disadvantaged areas in order to claim the points for this line item?

Response: Line item 4.D provides an opportunity for applicants not meeting the affordability criteria (assessed at the local government unit level) to receive prioritization for projects that benefit disadvantaged areas within their service area. The application guidance document will provide details for these priority points. The application must document that at least 50 percent of the total construction cost directly supports a disadvantaged area to be eligible for these priority points. **No change from Draft IUP/PRS.**

Comment: We believe line item 4.D, project benefits disadvantaged areas, should be increased to a maximum award of 15 points so that a commitment to prioritizing equitable funding is reflected in the Affordability section of the scoring system.

Response: The Division supports continued prioritization for projects in communities most in need of funding and additional subsidy from an affordability perspective. Specifically, prioritization is provided considering community size, current rates, and five local government unit indicator metrics. Line item 4.D. newly adds an opportunity for applicants not meeting the affordability criteria to receive prioritization for projects that benefit disadvantaged areas within their service area. This is the first time that line item 4.D is included, and is given the same points as an applicant that has four out of five local government unit indicators exceeding the state benchmark. The Division will continue to evaluate the priority rating system and its effect on providing funds to applicants and communities most in need for funding over time, and will make recommendations to adjust the priority rating system in later funding rounds as needed. **No change from Draft IUP/PRS.**

Comment: How will Line Item 4.D aid in evaluating a level of principal forgiveness?

Response: Principal forgiveness is described in Section 5.3.2 of the IUP. **No change from Draft IUP/PRS.**

BIL Questions

Comment: IUPs are unclear on how Bipartisan Infrastructure Law (BIL) Funding for emerging contaminants and lead service line removal will be administered.

Response: The 2022 BIL allotments for Emerging Contaminants and for Lead Service Line

Replacements are not part of this IUP. A separate public review opportunity will be provided prior to the Department applying for the BIL Emerging Contaminant and the BIL Lead Service Line Replacement capitalization grants. The proposed revisions to the priority rating system in this IUP include line items for these issues to provide additional priority for projects addressing emerging contaminants and lead service line replacements that are eligible for base SRFs and BIL General Supplemental SRFs only. **No change from Draft IUP.**

Comment: Is it the Division's intent to use this priority rating system for the additional lead service line and emerging contaminant funding?

Response: The priority rating system for BIL Lead Service Line Replacement and BIL Emerging Contaminant funding are not part of this IUP. Separate IUPs for BIL Lead Service Line Replacement and BIL Emerging Contaminant funds, including priority rating systems that may be different from the ones proposed in this IUP, will be developed for these funding sources and will have a separate public review period. **No change from Draft IUP.**

Comment: Under Section 4, does the 2022 BIL money shown in the projected funds table include specific reserves for emerging contaminants issues?

Response: The table in Section 4 was unclear. **Table in Section 4 now more clearly identifies funds from the 2022 BIL General Supplemental allotment.** Does not include reserves from BIL emerging contaminants funding.

Comment: Section 4, paragraph 4 reads: "The Division reserves the authority for BIL inter-SRF transfers and use the authority in later years from subsequent BIL appropriations." It is not clear what this sentence intends to mean. Ought it to read, "The Division reserves the authority to transfer BIL funds between the DWSRF and CWSRF at a later date."?

Response: **The language in Section 4 now reads "The Division reserves the authority to transfer BIL funds between the DWSRF and CWSRF from this year's capitalization grant at a later date and apply it to a future year's capitalization grant."**

Additional Subsidy

Comment: For Targeted Interest Rates, please verify consideration has been given to disadvantaged areas receiving a 0% interest loan. While the eligible principal forgiveness (PF) is 50% for these areas, will they also be able to benefit from the lowest possible interest rate?

Response: Per Section 5.3.1.7, projects eligible for principal forgiveness will receive targeted interest rates based on the percent principal forgiveness they are eligible for. Projects serving disadvantaged areas are eligible for 50% principal forgiveness and a 1% reduction of the interest rate. **No change from Draft IUP.**

Comments: For Principal Forgiveness, will the Disadvantaged Area be considered separately from affordability? It is not clear in 5.3.2.2 if Affordability will be the next criteria to be considered or Disadvantaged Area. If the affordability criteria yields a 25% PF but the project is to serve a disadvantaged community, 50% PF, will the project be given the higher amount of PF?

Response: Projects will be given the greatest amount of principal forgiveness they are eligible to receive. **No change from Draft IUP.**

Misc. Criteria

Comment: We agree with the Division's decision in section 5.1 to reconsider applications that were not selected from the previous funding cycle in the current round of funding. This will significantly reduce the burden of reapplication on utilities.

Response: Reconsideration of projects is required by GS 159G. Applicants are also encouraged to resubmit an application to provide additional documentation or to strengthen their application based on their application review. **No change from Draft IUP.**

Comment: Applaud the inclusion of "resiliency" as a category of projects to prioritize. While we suggested above a threshold for resilience, we are encouraged to see commitment to its prioritization in the meantime.

Response: The comment will be shared with the State Water Infrastructure Authority. **No change from Draft IUP.**

Comment: We believe establishing a resilience threshold would greatly benefit not only the applicants, but also their customers, the Division, and the state.

Response: Resiliency is not a requirement for projects to be eligible for SRF funds. The Division supports existing prioritization points in Category 2.N that provides priority to projects increasing resiliency and redundancy. **No change from Draft IUP.**

Comment: Will there be a public input session regarding the priority rating systems such as those provided as part of previous solicitations for Intended Use Plan public input? We would like to request a formal public hearing/meeting before closing the public review opportunity to answer questions and further describe the revisions to the IUP and priority rating systems so that we have the opportunity to provide complete and relevant comments.

Response: The Division previously considered the need for a public meeting concerning the subject IUP. The Division hopes that the response to comments helps clarify questions stakeholders have on the intended use of the base SRF funds and BIL SRF General Supplemental funds. The Division will continue to provide opportunities to engage with stakeholders to answer questions and receive feedback from stakeholders on all of its funding programs. **No change from Draft IUP.**

Comment: Section 5.3.5.3 states Build America, Buy America requirements will apply to loans as required by US EPA and by Federal mandates. Will there be any consideration, with the current continued supply chain issues, to gain additional authority from EPA to waive these requirements (i.e. Non-Availability, Unreasonable Cost Waivers)?

Response: The Division recognizes the current supply chain issues and interest in obtaining waivers to Build America, Buy America requirements. Waivers are being pursued by EPA on behalf of the SRF program. More information can be found on the EPA website: [Build America, Buy America \(BABA\) | US EPA](#). **No change from Draft IUP.**

Comment: For Miscellaneous Criteria, 5.3.5.2 states American Iron and Steel Provisions apply to the funds. Is this in addition to Build America, Buy America requirements or instead of?

Response: Both American Iron and Steel and Build America, Buy America requirements will apply to projects. **No change from Draft IUP.**

Comment: Does the Division anticipate separating out some funds to match the new stormwater grant funding? Either green reserve or regular loan funds.

Response: The 2022 IUP does not separate out funds to support the new American Rescue Plan Act-funded stormwater project program. **No change from Draft IUP.**

Comment: Page 7 mentions “emerging contaminants” and Page A-3 mentioned “emerging pollutants.” Is the Division using the terms emerging compound, emerging contaminant, and emerging pollutant synonymously? Please confirm if different definitions for pollutants, contaminants, and compounds will be used. EPA uses and defines the term “emerging contaminant” in the March 8th Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law Memorandum in Attachment 1, Appendices B and C.

Response: **The IUP is updated to use the term emerging contaminant(s).**

Comment: Section 5.3.1.4 states the maximum DWSRF loan amount will be \$20 million per applicant for each funding round (\$30 million per applicant for CWSRF loans). With the additional supplemental BIL funding, would the maximum loan amount be raised?

Response: The Division balances the needs of larger projects, where cost increases are driving a need to raise loan amounts, and the need to ensure that SRF funds are available to many applicants across the state, most of which seek smaller loan amounts. With additional funding in mind, **the IUP has been updated to reflect that the DWSRF loan amount will be \$25 million per applicant for each funding round, and the CWSRF loan amount will be \$35 million per applicant for each funding round.** Section 5.3.1.6 provides the Division flexibility to exceed the per applicant limit in Section 5.3.1.4 if funds are available. The funding caps will continue to assure that the SRF funds are distributed to a larger number of projects.

Comment: We would like NC state government to either create a state account to deposit some of the funds in an account all nonprofits (and tribes) can apply to and can draw from; or negotiate a carve-out for these specific funds from their existing account structure.

Response: NC GS 159G establishes that local governments and nonprofit water corporations are eligible to apply for both SRF funds, and investor-owned drinking water corporations are eligible to apply for DWSRF. The comment to expand this eligibility is outside of the scope of the IUP and would require changes to the state statute. The comment has been shared with Department management. Note that set-asides from the SRFs are available for other entities for specific purposes as described in the IUP. **No change from Draft IUP.**

Comment: Suggest adding to section 3.1, Overall CWSRF Program Goals, language about benefiting “needy” or “disadvantaged” systems. The corresponding section in the Drinking Water State Revolving Fund goals makes mention of “targeting the most needy systems.” While this goal is reflected in many other facets of the program, we believe an explicit reference will help to inform the continued work on the CWSRF.

Response: The Division agrees with the need to improve consistency between the CW and DW SRF program goals. **Section 3.1 of the CWSRF IUP is updated to reference the advancement of the water quality goals of the Clean Water Act while targeting the most needy systems.**

Decentralized Wastewater Treatment System Pilot Program

Comment: Can the decentralized wastewater treatment system pilot program funding be used to eliminate these failing or failed systems and connect the residents or facilities to a

centralized system if one is available?

Response: The funds will be available for project types eligible for SRF funding that address the failed or failing onsite system. **No change from Draft IUP.**

Comment: Encouraged by the pilot program established in section 5.3.4 for decentralized wastewater systems. There is a significant need to provide support to those with immediate on-site issues who may never warrant connection to a utility.

Response: **No change from Draft IUP.**

Affordability/Disadvantaged Communities

Comment: Section 5.3.2.2.3 provides "principal forgiveness for 50% of the project costs of the loan up to \$500,000, limited to project costs benefitting the disadvantaged areas." The phrase, "project costs of the loan" is unclear.

Response: Section 5.3.2.2.3 was unclear. **The section now reads "Projects for which at least 50% of the project costs are to benefit disadvantaged areas will receive principal forgiveness for 50% of the project costs that are related to benefiting disadvantaged areas, up to \$500,000".**

Comment: Support the ability of applicants to receive priority for projects that would benefit disadvantaged areas (DAs) within their jurisdiction.

Response: **No change from Draft IUP.**

Comment: Consider important factors such as housing costs, utility costs, socioeconomic stressors, environmental racism, history of discriminatory laws, lack of public participation, and the cumulative impact of these factors when designating disadvantaged communities.

Response: The Division acknowledges that there are many different considerations and metrics that may be applicable to designating disadvantaged communities. The local government unit indicators established in the Affordability criteria are used to assess the local government unit as a whole. However, different criteria, including those above, may be documented by the applicant to claim priority points for projects that benefit disadvantaged areas. **IUP section 5.3.2.2.3 has been updated to provide more explicit instructions on how applicants can provide a narrative that includes considerations of multiple factors.**

Comment: Consider gradations of financial need when evaluating DAs. Two communities may meet the current definition of a DA, but one community may have greater need because of a higher poverty rate.

Response: The Division acknowledges that there are many different considerations and metrics that may be applicable to designating disadvantaged communities and providing additional subsidy. The priority rating system provides incrementally higher prioritization to applicants that have a greater number of indicators reflecting economic constraints. The Division will continue to evaluate the recipients' funding and additional subsidy to assure the funds are going to communities most in need of support. **No change from Draft IUP at this time.**

Comment: Commend the Division for its commitment to helping distressed utilities. We think using the technical assistance set aside in the CWSRF to provide support within the Viable Utility program will prove valuable for the applicants who are most in need.

Response: **No change from Draft IUP.**

Comment: Commend the inclusion of qualitative and narrative measures of what constitutes a disadvantaged community in section 5.3.2.2.3. This will allow for greater consideration of communities in need.

Response: **No change from Draft IUP.**

8. Budget and Project Periods

- 8.1. The budget and project periods being requested for the capitalization grants is shown in Appendix B and on EPA Form SF 424.
- 8.2. The anticipated cash draw ratio will be 100% State and, after all State matching funds are withdrawn, 100% federal for disbursements made from the capitalization grant.
- 8.3. The source of State match funds is from appropriations and supplemented by loan fees as needed. State match funds will be deposited into the CWSRF before drawing any federal funds. State matches are \$4,176,400 for the Base CWSRF and \$3,212,200 for the BIL General Supplement CWSRF for FY2022.
- 8.4. Loan fees (2% of loan) on loans from the grant and fees from loans from repayment funds will be deposited into separate account centers. Fees will be used to administer the program. In addition, fees considered non-program income will also be used for other water quality purposes within the Divisions of Water Resources and Water Infrastructure, including funding for positions.

Appendix A

Intended Use Plan Project Priority List for Base CWSRF and BIL General Supplemental CWSRF

All additional subsidy is provided as principal forgiveness. All principal forgiveness listed below are for municipalities that meet the state's affordability criteria.

Spring 2022 Application Round – Funded Projects shown in Base CWSRF; BIL Supplemental CWSRF Not Yet Funded

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Siler City, Town of	Sewer Rehabilitation		Chatham	\$5,000,000	Remainder funded with other sources			\$2,000,000				88	8/1/2023
Burnsville, Town of	Bakers Creek Pump Station Improvements		Yancey	\$599,500	Funded with other sources	x	x	x	x	x	x	81	
Littleton, Town of	Wastewater Treatment Plant Improvements	NC0025691	Halifax	\$2,000,000	Funded with other sources	x	x	x	x	x	x	80	

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Rowland, Town of	Sanitary Sewer Improvements		Robeson	\$10,300,000	Funded with other sources	x	x	x	x	x	x	80	
Lake Waccamaw, Town of	Phase 6 Sewer Improvements		Columbus	\$9,198,450	Funded with other sources	x	x	x	x	x	x	79	
Burnsville, Town of	Main Sewer Interceptor Improvements (East)		Yancey	\$2,153,570	Funded with other sources	x	x	x	x	x	x	79	
Pittsboro, Town of	Find It & Fix It Sewer Rehabilitation		Chatham	\$4,450,000	Funded with other sources	x	x	x	x	x	x	77	
Yadkin Valley Sewer Authority	Floodplain Resiliency Collection System Improvements		Surry	\$1,088,400	Funded with other sources	x	x	x	x	x	x	77	

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Andrews, Town of	Town of Andrews Wastewater Treatment Plant Upgrade and Modernization	NC0020800	Cherokee	\$11,718,300	Funded with other sources	x	x	x	x	x	x	75	
Clinton, City of	Wastewater Treatment Plant Resiliency Improvements	NC0020117	Sampson	\$2,558,000	Funded with other sources	x	x	x	x	x	x	74	
Bailey, Town of	Sanitary Sewer Improvements		Nash	\$9,546,600	Remainder funded with other sources	\$82,500		\$0				74	8/1/2023
Hertford, Town of	Collection System Improvements		Perquimans	\$3,746,490	Remainder funded with other sources	\$73,290		\$0				74	8/1/2023

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Mount Olive, Town of	Collections System Rehab & Replc		Wayne	\$15,000,000	Remainder funded with other sources	\$500,000		\$500,000				73	8/1/2023
Roseboro, Town of	Rehabilitation/ Replacement	NC0026816	Sampson	\$6,415,760	Funded with other sources	x	x	x	x	x	x	73	
Yadkin Valley Sewer Authority	2022 Collection System Improvements		Surry	\$4,092,800	Remainder funded with other sources	\$181,200		\$0				73	8/1/2023
Clinton, City of	WWTP Electrical Service Resiliency and Reliability Improvements		Sampson	\$3,621,000	Remainder funded with other sources			\$1,179,000				72	8/1/2023
Bryson City, Town of	WWTP Improv.	NC0026557	Swain	\$16,998,400	Remainder funded with other sources	\$500,000		\$1,498,400				72	8/1/2023

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Star, Town of	WWTP & Collection System Improvements	NC0058548	Montgomery	\$13,575,000	Funded with other sources	x	x	x	x	x	x	71	
Siler City, Town of	WTP Sludge Handling Improvements	NCG110085	Chatham	\$2,955,000	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	71	
Haw River, Town of	Lang Steet Pump Station		Alamance	\$5,000,000	Funded with other sources	x	x	x	x	x	x	71	
Fairmont, Town of	Fairmont Collection System Rehabilitation		Robeson	\$15,000,000	Remainder funded with other sources	\$230,333		\$0				69	8/1/2023
Fayetteville Public Works Commission	SS Main Rehab		Cumberland	\$4,973,845	Funded with other sources	x	x	x	x	x	x	69	

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Wadesboro, Town of	Collection System Improvements		Anson	\$9,556,500	Funded with other sources	x	x	x	x	x	x	69	
Parkton, Town of	Sewer System Improvement		Robeson	\$4,928,210	Funded with other sources	x	x	x	x	x	x	69	
Whitakers, Town of	Porter Street Pump Station Relocation		Edgecombe	\$1,250,000	Funded with other sources	x	x	x	x	x	x	68	
Morehead City, Town of	2022 ARPA WWTP Improvements Project	NC00 26611	Carteret	\$6,000,000	Remainder funded with other sources	\$500,000		\$500,000				68	8/1/2023
Graham, City of	WWTP Improvements	NC00 21211	Alamance	\$30,000,000		\$500,000		\$29,500,000				68	8/1/2023
Marion, City of	Clinchfield Subbasin Rehab/Replacement		McDowell	\$3,244,430	Funded with other sources	x	x	x	x	x	x	67	

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Cliffside Sanitary District	Cliffside Sanitary District System Repairs and WWTP Retrofit		Rutherford	\$2,861,966	Funded with other sources	x	x	x	x	x	x	67	
Farmville, Town of	Middle Swamp Sanitary Sewer Outfall Relocation	NC002 9572	Pitt	\$4,431,000	Funded with other sources	x	x	x	x	x	x	67	
Macclesfield, Town of	WWTP Improvements	NC005 0661	Edgecombe	\$1,134,900	Funded with other sources	x	x	x	x	x	x	67	
Selma, Town of	Collection System Improvements		Johnston	\$8,250,000	Funded with other sources	x	x	x	x	x	x	65	
Jamesville, Town of	WWTP upgrade		Martin	\$3,816,250	Funded with other sources	x	x	x	x	x	x	65	
Tabor City, Town of	WWTP Upgrades Phase 3	NC002 6000	Columbus	\$5,089,000	Funded with other sources	x	x	x	x	x	x	65	

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Brevard, City of	Sewer Pump Station Rehabilitation and Replacement		Transylvania	\$2,873,000	Funded with other sources	x	x	x	x	x	x	64	
Garland, Town of	Wastewater Treatment Plant Improvements		Sampson	\$2,880,000	Funded with other sources	x	x	x	x	x	x	63	
Mount Olive, Town of	WWTP Improv.	NC00 20575	Wayne	\$6,600,770		\$500,000		\$6,100,770				63	8/1/2023
Scotland Neck, Town of	2022 ARPA Sewer Improvements		Halifax	\$5,660,045	Funded with other sources	x	x	x	x	x	x	63	
Jamesville, Town of	Sewer System Rehabilitation		Martin	\$3,344,665	Funded with other sources	x	x	x	x	x	x	63	
Fountain, Town of	Lynch St Sanitary Sewer Improvements		Pitt	\$1,517,500	Funded with other sources	x	x	x	x	x	x	63	

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Thomasville, City of	Rains Road PS Upgrade		Davidson	\$5,000,000	Remainder funded with other sources	\$500,000		\$500,000				63	8/1/2023
Wilkesboro, Town of	Wilkesboro Cub Creek WWTP Expansion	NCG1 10031	Wilkes	\$27,000,000	Remainder funded with other sources	\$500,000		\$11,500,000				63	8/1/2023
River Bend, Town of	WWTP Enhancements	NC00 30406	Craven	\$9,108,500	Funded with other sources	x	x	x	x	x	x	62	
Pilot Mountain, Town of	WWTP Upgrades	NC00 26646	Surry	\$10,000,000	Remainder funded with other sources	\$500,000		\$1,422,000				62	8/1/2023
Tabor City, Town of	Sanitary Sewer Improvements		Columbus	\$6,375,000	Funded with other sources	x	x	x	x	x	x	62	
Tyrrell County	Old Hwy 64 Sewer Extension		Tyrrell	\$5,000,000	Funded with other sources	x	x	x	x	x	x	62	

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Eden, City of	N. Aeration Basin Repair Renovations	NC002 5071	Rockingham	\$9,148,000	Funded with other sources, Green project	x	x	x	x	x	x	61	
Madison, Town of	Sanitary Sewer Rehab and Flood Protection Project		Rockingham	\$4,871,000	Funded with other sources	x	x	x	x	x	x	61	
Oxford, City of	Sewer System Improvements and Enhancement, Phase 5		Granville	\$9,561,720	Remainder funded with other sources	\$500,000		\$4,061,720				61	8/1/2023
Chadbourn, Town of	2022 Sewer Collection System Improvements		Columbus	\$4,860,000	Funded with other sources	x	x	x	x	x	x	61	
Henderson, City of	Sandy Creek Basin Sewer Rehab		Vance	\$5,000,000	Funded with other sources	x	x	x	x	x	x	60	

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Southern Pines, Town of	Southern Pines Sewer Rehabilitation and Replacement		Moore	\$4,999,950	Funded with other sources	x	x	x	x	x	x	60	
Troutman, Town of	Sewer Collection Rehabilitation		Iredell	\$2,342,500	Remainder funded with other sources			\$687,500				60	8/1/2023
Claremont, City of	PS Improv-Elimination Proj.		Catawba	\$1,338,670	Funded with other sources, Green project	x	x	x	x	x	x	60	
Elm City, Town of	Multiple LS Rehab and Renewal		Wilson	\$898,775	Funded with other sources	x	x	x	x	x	x	60	
Clinton, City of	E. Carter Street Pump Station Relocation and Replacement		Sampson	\$2,354,000				\$2,354,000				59	8/1/2023

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Robersonville, Town of	WWTP Improvements	NC0025879	Martin	\$6,000,000	Funded with other sources	x	x	x	x	x	x	59	
Farmville, Town of	Housing Authority SS Improvements		Pitt	\$3,580,000	Funded with other sources	x	x	x	x	x	x	59	
Pilot Mountain, Town of	Collection System Rehabilitation		Surry	\$6,813,500		\$500,000		\$6,313,500				59	8/1/2023
Laurinburg, City of	Leith Creek WWTP Influent Pump Station	NC0020656	Scotland	\$10,315,000				\$10,315,000				59	8/1/2023
Rockingham County	Fishing Creek PS relocation and flood protection		Rockingham	\$1,725,000	Funded with other sources	x	x	x	x	x	x	59	
Maxton, Town of	WW PS Rehab.		Robeson	\$7,033,500				\$7,033,500				58	8/1/2023
Fremont, Town of	Pump station and sewer rehab		Wayne	\$4,462,360	Funded with other sources	x	x	x	x	x	x	58	

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Rocky Mount, City of	Collection System Rehab & Replace		Nash/Edgemcombe	\$5,164,700					\$1,032,940	\$0	\$4,131,760	57	2/1/2024
Louisburg, Town of	Sanitary Sewer System Rehabilitation		Franklin	\$2,373,253		x	x	x	x	x	x	57	
Rose Hill, Town of	Rose Hill Sewer Rehabilitation		Duplin	\$8,614,045	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	57	
Mount Airy, City of	WWTP Planning Grant	NC0021121	Surry	\$200,000	Funded with other sources	x	x	x	x	x	x	56	
Pollocksville, Town of	2022 Sanitary Sewer improvements		Jones	\$8,454,000	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	56	

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Beulaville, Town of	2022 Sanitary Sewer Improvements		Duplin	\$10,182,000	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	56	
Enfield, Town of	Phase 6 Sewer Sys Improvements (WWTP and Sewer replace/rehab)		Halifax	\$6,362,372	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	56	
Kinston, City of	Briery Run Sewer PH VI Sewer Proj.		Lenoir	\$8,287,813					\$3,729,516	\$0	\$4,558,297	55	2/1/2024
Red Springs, Town of	Sewer Collection System Rehab		Robeson	\$2,920,934					\$584,187	\$0	\$2,336,747	55	2/1/2024
Whiteville, City of	Phase 3 Sewer Improvements		Columbus	\$4,991,015	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	55	

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Elizabeth City, City of	Pearl St Sewer Improvements		Pasquotank	\$1,824,430	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	55	
Landis, Town of	Fifth Street and Poplar Street Lift Station Eliminations		Rowan	\$666,055					\$632,752	\$0	\$33,303	55	2/1/2024
Landis, Town of	S. Upright Street Basin Sanitary Sewer Rehabilitation		Rowan	\$2,700,952	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x		
Maxton, Town of	WWTP Rehab.	NC0027120	Robeson	\$7,111,000					\$1,422,200	\$0	\$5,688,800	55	2/1/2024
St Pauls, Town of	Sewer System Rehabilitation		Robeson	\$9,214,283	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	55	

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Yadkin Valley Sewer Authority	2022 Pump Station Improvements		Surry	\$832,900	Bypassed: PF request exceeds PF eligibility	x	x	x	x	x	x	55	
Brunswick County	Longwood Rd Sewer Project.		Brunswick	\$14,956,200	Disadvantaged areas (up to 50% PF)				\$8,973,720	\$0	\$5,982,480	55	2/1/2024
Laurinburg, City of	Pump Station Renovations		Scotland	\$9,973,000		x	x	x	x	x	x	54	
White Lake, Town of	Phase 3 Sewer Improvements		Bladen	\$3,592,378		x	x	x	x	x	x	54	
Magnolia, Town of	2022 Sanitary Sewer Improvements		Duplin	\$1,592,550		x	x	x	x	x	x	54	
Magnolia, Town of	Newberry Sewer Pump Station Rehabilitation		Duplin	\$964,760		x	x	x	x	x	x	54	

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Eureka, Town of	Wastewater Collection System Improvements		Wayne	\$14,999,900		x	x	x	x	x	x	54	
Murfreesboro, Town of	Sewer System Rehabilitation		Hertford	\$1,839,475		x	x	x	x	x	x	54	
Rich Square, Town of	2022 ARPA Sewer System Improvements		Northampton	\$3,960,500		x	x	x	x	x	x	53	
Lake Lure, Town of	Subaqueous Sanitary Sewer Replacement Phase 3		Rutherford	\$7,000,000		x	x	x	x	x	x	53	
Lumberton, City of	2022 WW System Improvements	NCG1 10127	Robeson	\$4,181,158		x	x	x	x	x	x	53	
Ayden, Town of	Carmichael MHP Sanitary Sewer Improvements		Pitt	\$1,008,000		x	x	x	x	x	x	53	

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Plymouth, Town of	2022 CS Sys Improvements		Washington	\$7,910,230		x	x	x	x	x	x	53	
Pembroke, Town of	Wastewater System Improvements (replaces previous SRP-W-0209 Loan)		Robeson	\$2,091,053		x	x	x	x	x	x	53	
Rhodhiss, Town of	2022 High Priority CollSysImprov.		Burke-Caldwell	\$724,000		x	x	x	x	x	x	53	
Rhodhiss, Town of	2022 PS Improv & FM Replc.		Burke-Caldwell	\$1,079,300		x	x	x	x	x	x	53	
Harrisburg, Town of	Millbrook PS Decommission		Cabarrus	\$612,150		x	x	x	x	x	x	52	
Beaufort, Town of	WW PS Improvements PCPG		Carteret	\$225,000	Funded with other sources	x	x	x	x	x	x	52	
Claremont, City of	Clay Line Sewer		Catawba	\$3,303,900		x	x	x	x	x	x	52	
Brevard, City of	North Brevard Sewer		Transylvania	\$2,287,367		x	x	x	x	x	x	52	

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Yadkin County	Brooks Crossroads Sewer Improvements		Yadkin	\$4,887,000		x	x	x	x	x	x	52	
Spindale, Town of	WWTP Improvements	NC00 20664	Rutherford	\$7,135,000		x	x	x	x	x	x	51	
Ayden, Town of	LS No.1 SaniSewRehab.		Pitt	\$2,468,425		x	x	x	x	x	x	51	
Hamlet, City of	Sewer Collection System Improvements		Richmond	\$4,809,200		x	x	x	x	x	x	51	
Graham, City of	Haw River Outfall and Manhole Rehabilitation	NC00 21211	Alamance	\$2,500,000		x	x	x	x	x	x	51	
Ellerbe, Town of	Main St / US220 Gravity Sewer Replacement		Richmond	\$5,655,000		x	x	x	x	x	x	50	

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Burgaw, Town of	Wastewater Infrastructure Rehabilitation & Improvements		Pender	\$7,283,446		x	x	x	x	x	x	49	
Clarkton, Town of	Clean Water State Revolving Fund Sewer System Rehabilitation	NC00 21610	Bladen	\$5,385,000		x	x	x	x	x	x	49	
Kenansville, Town of	2022 Lift Stations Rehabilitation		Duplin	\$1,680,500		x	x	x	x	x	x	49	
Spindale, Town of	Oak Street PS Rehabilitation		Rutherford	\$2,000,000		x	x	x	x	x	x	49	
Lillington, Town of	2022 Comprehensive Sew Rehab Proj.		Harnett	\$5,746,398		x	x	x	x	x	x	49	

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Mount Airy, City of	WWTP Influent Pump Station Rehabilitation	NC0021121	Surry	\$721,600		x	x	x	x	x	x	49	
Haw River, Town of	Haw River I&l project		Alamance	\$4,500,000		x	x	x	x	x	x	49	
Sims, Town of	Wastewater Pump Station Rehabilitation		Wilson	\$470,993		x	x	x	x	x	x	49	
Bunn, Town of	Bunn Warren Street PS Rehab		Franklin	\$1,172,820		x	x	x	x	x	x	49	
Columbia, Town of	2022 ARPA SaniSewImprov WRF		Tyrell	\$6,000,000		x	x	x	x	x	x	49	
Robbins, Town of	Sewer System Improvements		Moore	\$6,551,072		x	x	x	x	x	x	49	
Woodland, Town of	WWTP Lagoon dewatering & Septage Receiving Station		Northampton	\$3,556,500		x	x	x	x	x	x	49	

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Taylorsville, Town of	2022 Wastewater Treatment Plant Improvements	NC00 26271	Alexander	\$2,336,000		x	x	x	x	x	x	48	
Eden, City of	Kings Hwy Project		Rockingham	\$8,000,000		x	x	x	x	x	x	48	
Snow Hill, Town of	WW PS Rehab Proj		Greene	\$1,384,555		x	x	x	x	x	x	48	
Snow Hill, Town of	WWTP Bar Screen Replc Proj	NC00 20842	Greene	\$1,795,500		x	x	x	x	x	x	48	
Vanceboro, Town of	Sewer Collection and Main Street PS Rehabilitation Project		Craven	\$4,280,687		x	x	x	x	x	x	48	
Ranlo, Town of	Wastewater Replacement		Gaston	\$8,435,000		x	x	x	x	x	x	48	

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Hobgood, Town of	Stormwater Quality/Detention Struct. and Drainage Improv.		Halifax	\$2,793,770	Green Project Reserve. Higher priority projects above bypassed to meet Green Project Reserve target.		\$2,793,770					48	8/1/2023
Dover, Town of	2022 Sewer System SCADA Improvements		Craven	\$550,200		x	x	x	x	x	x	48	
Waynesville, Town of	WWTP Supplemental Funding	NC0025321	Haywood	\$34,960,000		x	x	x	x	x	x	47	
Drexel, Town of	Drexel WW System Improvements		Burke	\$7,782,200		x	x	x	x	x	x	47	
Lansing, Town of	WWTP Rehabilitation	NC0066028	Ashe	\$3,057,400		x	x	x	x	x	x	47	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Taylorsville, Town of	2022 Collection System Rehabilitation		Alexander	\$3,789,300		x	x	x	x	x	x	47	
Greenville Utility Commission	Wastewater Treatment Plant Clarifier Rehabilitation Project	NC00 23931	Pitt	\$7,500,000		x	x	x	x	x	x	47	
Ahoskie, Town of	WW-Sys Rehab	NC00 88561	Hertford	\$4,157,400		x	x	x	x	x	x	47	
Beaufort, Town of	Sewer System Improvements		Carteret	\$3,328,825		x	x	x	x	x	x	47	
Candor, Town of	2022 Sewer Systems Improvements		Montgomery	\$5,674,870		x	x	x	x	x	x	47	
Pinetops, Town of	2022 WWTP Rehabilitation	NC00 20435	Edgecombe	\$3,704,500		x	x	x	x	x	x	47	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Cumberland County	Ann Street Landfill Sediment Ponds No. 2 and 3 Improvements		Cumberland	\$1,763,374	Green Project Reserve. Higher priority projects above bypassed to meet Green Project Reserve target.		\$1,763,374					47	8/1/2023
Littleton, Town of	Pump Station Rehabilitation		Halifax	\$1,250,000		x	x	x	x	x	x	47	
Littleton, Town of	Pump Station Rehabilitation Planning		Halifax	\$276,500	Funded with other sources	x	x	x	x	x	x	47	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Claremont, City of	Lyle Creek Basin Outfall - Transformational		Catawba	\$9,212,700	Green Project Reserve. Higher priority projects above bypassed to meet Green Project Reserve target.		\$9,212,700					47	8/1/2023
Rutherfordton, Town of	WWTP Improvements	NCG110105	Rutherford	\$1,165,300		x	x	x	x	x	x	46	
Taylorsville, Town of	2022 Surface Water Protection Collection System Rehabilitation		Alexander	\$1,515,600		x	x	x	x	x	x	46	
Yanceyville, Town of	WWTP Rehabilitation		Caswell	\$2,440,000		x	x	x	x	x	x	46	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Scotland County	Wagram WWTP Evaluation, Planning & Upgrade		Scotland	\$400,000	Funded with other sources	x	x	x	x	x	x	45	
Scotland County	Wagram WWTP Evaluation, Planning & Upgrade, PCPG		Scotland	\$15,000,000		x	x	x	x	x	x	45	
Sparta, Town of	Sparta Wastewater Treatment Plant Upgrades	NC0026913	Alleghany	\$10,600,000		x	x	x	x	x	x	45	
Spindale, Town of	Wastewater Collection System Improvements		Rutherford	\$5,334,380		x	x	x	x	x	x	45	
West Jefferson, Town of	Sewer Line Improvement		Ashe	\$2,945,310		x	x	x	x	x	x	45	
West Jefferson, Town of	WWTP Improvement	NCG110148	Ashe	\$1,378,300		x	x	x	x	x	x	45	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	Allandale Septic to Sewer Project		New Hanover	\$1,180,362	Disadvantaged areas (up to 50% PF)	x	x	x	x	x	x	45	
Edgecombe County	Lone Pine MHP Wastewater System Improvements		Edgecombe	\$2,724,100		x	x	x	x	x	x	45	
Wilson, City of	Lower Bloomery & Old Fields Outfall Sewer Proj.		Wilson	\$7,344,600		x	x	x	x	x	x	45	
Hookerton, Town of	Gravity Sewer Rehabilitation and Relining		Greene	\$2,520,294		x	x	x	x	x	x	44	
Washington, City of	Cherry Run PS & 5th St FM Replacement		Beaufort	\$3,226,750		x	x	x	x	x	x	44	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Washington, City of	Cherry Run PS & 5th St FM Replacement PCPG		Beaufort	\$250,000	Funded with other sources	x	x	x	x	x	x	44	
Beech Mountain, Town of	2022 Sewer Main Improvement Project		Watauga	\$2,870,000		x	x	x	x	x	x	44	
Oakboro, Town of	McCoy's Outfall Replacement		Stanly	\$2,793,793		x	x	x	x	x	x	44	
Marshville, Town of	Collection System Rehab		Union	\$1,173,300		x	x	x	x	x	x	44	
Southport, City of	Collection System Rehabilitation		Brunswick	\$9,835,000		x	x	x	x	x	x	44	
Magnolia, Town of	Sun Valley MHP Sewer Replacement		Duplin	\$1,322,780		x	x	x	x	x	x	44	
Graham, City of	Cooper Road Pump Station		Alamance	\$3,500,000		x	x	x	x	x	x	44	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Franklinville, Town of	Ogle's Creek Pump Station & Force Main Replacement		Randolph	\$1,560,000		x	x	x	x	x	x	44	
Hot Springs, Town of	Wastewater Treatment Plant Upgrades and Expansion	NC0049620	Madison	\$4,794,000		x	x	x	x	x	x	44	
Shallotte, Town of	Pump Station Rehabilitation		Brunswick	\$1,800,000		x	x	x	x	x	x	43	
Spruce Pine, Town of	Sewer Rehabilitation		Mitchell	\$803,620		x	x	x	x	x	x	43	
Fair Bluff, Town of	Regional PS & Collection System Improvements		Columbus	\$6,135,000		x	x	x	x	x	x	43	
Harrisburg, Town of	Morehead West Sewer Phase 1		Cabarrus	\$2,375,908		x	x	x	x	x	x	43	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Clayton, Town of	Neuse River Water Reclamation Facility & ECIA Pump Station and Force Main		Johnston	\$175,100,000		x	x	x	x	x	x	43	
Wayne County	Executive Jetport Pump Station Improvements		Wayne	\$1,500,000		x	x	x	x	x	x	42	
Rosman, Town of	WWTP Improvements	NC00 21946	Transylvania	\$2,773,500		x	x	x	x	x	x	42	
Stovall, Town of	WWTP Renovations and Improvements		Granville	\$4,347,890		x	x	x	x	x	x	42	
Claremont, City of	WW Treatment Improvements. (Funded Existing E-SRP-W-17-0105).	NC00 81370 or NC003 2662	Catawba	\$6,042,900		x	x	x	x	x	x	42	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Graham, City of	Downtown Sewer Improvements		Alamance	\$790,000		x	x	x	x	x	x	41	
Kingstown, Town of	Lift Station and Force Main Improvements		Cleveland	\$1,568,760		x	x	x	x	x	x	41	
Kingstown, Town of	Macedonia Church Rd Gravity Sewer Replacement		Cleveland	\$280,320		x	x	x	x	x	x	41	
Trenton, Town of	2022 ARPA Sewer Improvements		Jones	\$7,615,000		x	x	x	x	x	x	41	
Seaboard, Town of	WWTP Improvements		Northampton	\$10,979,000		x	x	x	x	x	x	41	
Engelhard Sanitary District	Engelhard Lagoon Closure		Hyde	\$2,928,500		x	x	x	x	x	x	41	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Lexington, City of	LRWWTP Solids Handling Improvements Design & Construction	NC00 55786	Davidson	\$27,979,000		x	x	x	x	x	x	40	
Lexington, City of	LRWWTP Solids Handling Improvements PCPG	NC00 55786	Davidson	\$400,000	Funded with other sources	x	x	x	x	x	x	40	
Graham, City of	Hanover Rd Sewer Rehabilitation		Alamance	\$1,000,000		x	x	x	x	x	x	39	
Graham, City of	New and Parker Street Sewer Rehabilitation		Alamance	\$1,100,000		x	x	x	x	x	x	39	
Lenoir, City of	Lower Creek WWTP Improvements	NC00 23981	Caldwell	\$3,045,000		x	x	x	x	x	x	39	
High Point, City of	Upper Boulding Branch Sewer Rehab		Guilford	\$15,913,700		x	x	x	x	x	x	39	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Ramseur, Town of	Sewer System Improvements		Randolph	\$4,686,490		x	x	x	x	x	x	39	
Beaufort, Town of	WW PS Improvements		Carteret	\$6,186,000		x	x	x	x	x	x	39	
Johnston County	Central Johnston Co. Regional WWTF Improvements	NC0030716	Johnston	\$10,200,000		x	x	x	x	x	x	38	
Mocksville, Town of	Cooleemee Force Main Replacement		Davie	\$4,000,000		x	x	x	x	x	x	38	
Metropolitan Sewerage District	Sewer Extension Project		Buncombe	\$12,802,000		x	x	x	x	x	x	38	
Nashville, Town of	SaniSew Rehab/Reline		Nash	\$6,541,825		x	x	x	x	x	x	36	
Pink Hill, Town of	Pink Hill Sewer Rehabilitation		Lenoir	\$3,387,980		x	x	x	x	x	x	36	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Severn, Town of	Green: Stormwater Drainage Improvements		Northampton	\$1,403,575	Green Project Reserve/Stormwater				\$0	\$1,403,575	\$0	36	2/1/2024
Cleveland, Town of	Cleveland WWTP Expansion and Relocation	NCG1 10128	Rowan	\$15,000,000		x	x	x	x	x	x	36	
Winston-Salem, City of	Sprague Street SSES Work Package		Forsyth	\$7,090,054		x	x	x	x	x	x	35	
Winston-Salem, City of	Washington Park SSES Work Package		Forsyth	\$8,188,507		x	x	x	x	x	x	35	
Cape Fear Public Utility Authority	Oakley Area Septic to Sewer Project		New Hanover	\$10,121,411	Disadvantaged areas (up to 50% PF)	x	x	x	x	x	x	35	
Murphy, Town of	Downtown Sewer Rehabilitation		Cherokee	\$2,356,738		x	x	x	x	x	x	35	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Mebane, City of	Water Resource Recovery Facility Expansion	NC0025071	Alamance	\$47,700,000		x	x	x	x	x	x	35	
Murphy, Town of	Ice Plant Lift Station Rehabilitation		Cherokee	\$694,900		x	x	x	x	x	x	35	
Warren County	Pleasant Hill Pump Station Replacement		Warren	\$155,500	Funded with other sources	x	x	x	x	x	x	34	
Warren County	Pleasant Hill Pump Station Replacement		Warren	\$1,080,380		x	x	x	x	x	x	34	
Fayetteville Public Works Commission	Rockfish Creek WRF Expansion		Cumberland	\$74,966,000		x	x	x	x	x	x	34	
Conover, City of	North East WWTP Improvements	NCG110145	Catawba	\$400,000	Funded with other sources	x	x	x	x	x	x	33	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Holly Springs, Town of	Utley Crk WRF Dewatering Press Improvements	NCG1 10096	Wake	\$400,000		x	x	x	x	x	x	33	
Cumberland County	Ann Street Landfill Gas Collection System		Cumberland	\$1,750,642		x	x	x	x	x	x	32	
Roxboro, City of	Marlowe Creek rehabilitation-Phase 2		Person	\$2,000,000		x	x	x	x	x	x	32	
NORCRESS Water & Sewer District	NORCRESS Rehab/Replc Proj.		Cumberland	\$1,543,275		x	x	x	x	x	x	32	
Contentnea Metropolitan Sewerage District	2022 Highway 11 Force Main Replacement Project		Pitt	\$5,400,880		x	x	x	x	x	x	32	
Mount Gilead, Town of	Wastewater Treatment Plant Upgrades	NC00 21105	Montgomery	\$17,931,000		x	x	x	x	x	x	32	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Kinston, City of	Oliver Glass SewImprv Prelim-Eng		Lenoir	\$400,000	Funded with other sources	x	x	x	x	x	x	32	
Greenville Utility Commission	Sanitary Sewer Rehabilitation Phase V		Pitt	\$5,551,045		x	x	x	x	x	x	31	
Holden Beach, Town of	Vacuum Sewer PS #2 modifications		Brunswick	\$4,023,490		x	x	x	x	x	x	30	
Maggie Valley, Town of	Johnathan Creek Crossing Elimination		Haywood	\$1,086,225		x	x	x	x	x	x	30	
Nashville, Town of	Stoney Creek Outfall Rehab ***PRECONSTRUCTION \$85,000***		Nash	\$85,000		x	x	x	x	x	x	30	
Pikeville, Town of	2022 WW Improv Proj.		Wayne	\$9,100,000		x	x	x	x	x	x	30	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Wilkesboro, Town of	Cub Creek PH-III Stream Restoration		Wilkes	\$1,586,400	Reconsideration from Fall 2021, Green Project Reserve				\$0	\$1,586,400	\$0	29	2/1/2024
Sanford, City of	Sanford WWTP Expansion PCPG	NC00 24147	Lee	\$400,000	Funded with other sources	x	x	x	x	x	x	29	
Morganton, City of	Silver Creek Pump Station Expansion		Burke	\$5,310,000		x	x	x	x	x	x	28	
Dobson, Town of	Ridge Rd PS & Force Main Replacement		Surry	\$1,545,200		x	x	x	x	x	x	28	
Johnston County	WWTF 4MGD Expansion	NC00 30716	Johnston	\$130,131,600		x	x	x	x	x	x	28	
Albemarle, City of	US52 WTP Sludge Dewatering System	NCG1 10050	Stanly	\$5,736,000		x	x	x	x	x	x	27	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Bald Head Island	Bald Head Island Wastewater Treatment Plant Expansion Project		Brunswick	\$12,973,895		x	x	x	x	x	x	27	
Carolina Beach, Town of	Headworks WWTF	NC0023256	New Hanover	\$4,520,000		x	x	x	x	x	x	27	
High Point, City of	White Mill Pump Station, Force Main Extension, and LaSalle Siphon Improvements Preliminary Engineering		Guilford	\$400,000	Funded with other sources	x	x	x	x	x	x	26	
Mount Airy, City of	2022 Sewer Line Replacement		Surry	\$13,332,700		x	x	x	x	x	x	26	
Nashville, Town of	Essex Rd and Regency Estates Sewer Ext.		Nash	\$3,799,484		x	x	x	x	x	x	26	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Mocksville, Town of	Southpoint Pump Station		Davie	\$1,000,000		x	x	x	x	x	x	25	
Roanoke Rapids Sanitary District	2023 Sewer System Rehabilitation Program		Halifax	\$2,528,210		x	x	x	x	x	x	24	
Moore's Creek Water & Sewer District	US421 Sewer Extension		Pender	\$11,708,350		x	x	x	x	x	x	23	
Harnett Regional Water	N Harnett WWTP Capacity Upgrades	NCG1 10121	Harnett	\$20,000,000		x	x	x	x	x	x	22	
Contentnea Metropolitan Sewerage District	2022 Wastewater Treatment Plant Rerating	NC00 32077	Pitt	\$4,301,320		x	x	x	x	x	x	22	
Trinity, City of	City of Trinity Lift Station and FM Regionalization		Randolph	\$7,734,200		x	x	x	x	x	x	22	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Warren County	Eatons Ferry Sewer Extension		Warren	\$4,753,900		x	x	x	x	x	x	22	
Warren County	Eatons Ferry Sewer Extension Pre-Construction Planning Grant		Warren	\$455,000	Funded with other sources	x	x	x	x	x	x	22	
Southport, City of	Shalotte WWTP expansion		Brunswick	\$15,000,000		x	x	x	x	x	x	21	
Gibsonville, Town of	Highway 61 North Outfall Upgrade		Alamance/Guilford	\$500,000		x	x	x	x	x	x	20	
Spruce Pine, Town of	Sewer Line Expansion		Mitchell	\$5,405,500		x	x	x	x	x	x	20	
OWASA	Morgan Creek Interceptor Replacement		Orange	\$1,400,000	Reconsideration from Fall 2021	x	x	x	x	x	x	18	
Person County	Western Sewer Expansion		Person	\$11,088,000		x	x	x	x	x	x	18	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	DIL Suppl. CWSRF Green Project Reserve	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Warsaw, Town of	Warsaw 2022 ARPA WWTP Improvements Project	NC00 21903	Duplin	\$33,000,000		x	x	x	x	x	x	18	
Washington, City of	WWTP Expansion		Beaufort	\$5,000,000		x	x	x	x	x	x	18	
Washington, City of	WWTP Expansion Study PCPG	NC00 20648	Beaufort	\$400,000	Funded with other sources	x	x	x	x	x	x	18	
Raleigh, City of	Big Branch Sanitary Sewer Improvements		Wake	\$5,000,000		x	x	x	x	x	x	17	
Raleigh, City of	Crabtree Interceptor Phase III		Wake	\$5,000,000		x	x	x	x	x	x	17	
Taylortown, Town of	Sanitary Sewer Extension		Moore	\$2,175,000		x	x	x	x	x	x	17	
Gamewell, Town of	Gamewell Heights Sewer Project		Caldwell	\$610,400		x	x	x	x	x	x	13	
Gamewell, Town of	Kincaid Hill Road Sewer Project		Caldwell	\$772,600		x	x	x	x	x	x	13	

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Cumberland County	Ann Street Landfill Leachate PFAS Removal Pilot		Cumberland	\$13,893,518		x	x	x	x	x	x	12	

Fall 2021 Application Round – Funded Projects

Applicant Name	Project Name	NPDES Permit (TBD)	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Reserve	Base CWSRF Loans	Priority Points	Estimated Binding Commitment
Louisburg, Town of	Green Hill Pump Station Replacement / Relocation		Franklin	\$1,034,996	Funded with other sources	x	x	x	65	
Pilot Mountain, Town of	Collection System Improvements		Surry	\$2,845,000	Funded with other sources	x	x	x	63	
Wilkesboro, Town of	Wilkesboro Cub Creek WWTP Expansion	NCG110031	Wilkes	\$60,000,000		\$500,000		\$29,500,000	63	2/1/2023
Pikeville, Town of	2022 Sanitary Sewer Improvements		Wayne	\$500,000		\$500,000			58	2/1/2023

Halifax, Town of	Phase 1 Sewer System Improvements Project		Northampton	\$1,100,000	Bypassed: PF request exceeds PF eligibility	x	x	x	53	
Eden, City of	Contracts IIB and V - Junction Pump Station Rehab & Smith River Replacement and Rehab and Siphon Replacement		Rockingham	\$9,972,770		\$500,000		\$2,513,243	52	2/1/2023
Brevard, City of	North Brevard Sewer		Transylvania	\$2,287,367		\$500,000		\$1,787,367	52	2/1/2023
Graham, City of	Graham WWTP Improvements Project	NC0021211	Alamance	\$10,151,000		\$500,000		\$9,651,000	50	2/1/2023
Enfield, Town of	2021 CWSRF Sanitary Sewer Phase 4 Pump Stations 2, 6, 8 & 9 Replacement / Repair and Collection Lines Improvements		Halifax	\$1,877,615	Bypassed: PF request exceeds PF eligibility	x	x	x	50	
Manteo, Town of	UV Disinfection and Resiliency Upgrade	NC0079057	Dare	\$1,882,030				\$1,882,030	47	2/1/2023
Ayden, Town of	Carmichael MHP Sewer Pump Station Improvements		Pitt	\$500,000	Bypassed: PF request exceeds PF eligibility	x	x	x	47	

Cape Fear Public Utility Authority	Walnut Street Pump Station (PS9) Replacement		New Hanover	\$5,149,900			\$5,149,900		44	2/1/2023
Pembroke, Town of	Wastewater System Improvements		Robeson	\$2,000,000	Funded with other sources	x	x	x	43	
Clayton, Town of	Neuse River Water Reclamation Facility & ECIA PS & FM		Johnston	\$59,940,000	Reached maximum \$100M SRF limit (at that time)	x	x	x	43	
Wallace, Town of	Wallace Gravity Sewer Rehabilitation - Phase 2		Duplin	\$1,520,720	Funded with other sources	x	x	x	39	
Burgaw, Town of	Wastewater Infrastructure Rehabilitation & Improvements		Pender	\$7,405,733	Bypassed: PF request exceeds PF eligibility	x	x	x	39	
Stantonsburg, Town of	Stantonsburg Sanitary Sewer Rehab Phase II		Wilson	\$1,387,776	Funded with other sources	x	x	x	36	
Belmont, City of	Belmont Pump Station and Force Main		Gaston	\$15,095,034				\$15,095,034	34	2/1/2023
Orange Water and Sewer Authority	Secondary Clarifier No. 4 Improvements Project	NC0025241	Orange	\$2,200,000	Funded with other sources	x	x	x	31	
Durham County	Chin Page Road Pump Station		Durham	\$19,298,025				\$19,298,025	31	2/1/2023

Mebane, City of	Wastewater Resource Recovery Facility Expansion	NCG110025	Alamance	\$50,000,000					30	
Wilkesboro, Town of	Cub Creek Phase III Stream Restoration		Wilkes	\$1,586,400					29	
Wilson, Town of	Lower Bloomery Swamp and Old Fields Interceptor Sewer Project		Wilson	\$6,349,131					28	
Bald Head Island, Village of	Bald Head Island Wastewater Treatment Plant Expansion Project		Brunswick	\$12,973,895					27	
Contentnea Metropolitan Sewage District	2021 CMSD Sewer Force Main Replacement		Pitt	\$3,934,500					26	
Nashville, Town of	Essex Road Sewer Extension		Nash	\$597,232					24	
Graham, Town of	Copper Road Pump Station Upgrade		Alamance	\$2,616,000					22	
Fayetteville Public Works Commission	Rockfish Creek WRF Expansion Phase 3		Cumberland	\$74,966,000					19	

Orange Water and Sewer Authority	Morgan Creek Interceptor Replacement		Orange	\$1,400,000					18	
Contentnea Metropolitan Sewage District	20201 WWTP Re-Rating	NC0032077	Pitt	\$4,012,000					16	

TOTALS

	Principal Forgiveness	Green Project Reserve	Loans (excl. PF)	Total	Minimum Requirement Principal Forgiveness
Base	\$8,067,323	\$18,919,744	\$165,192,089	\$192,179,156	\$4,176,400

BIL Suppl.	\$16,375,315	\$2,989,975	\$22,731,387	\$42,096,677	\$15,739,780
Total	\$24,442,638	\$21,909,719	\$187,923,476	\$234,275,833	
Minimum requirement Green Project Reserve		\$5,300,400			

Appendix B
2022 CWSRF Proposed Payment Schedule

(Dependent on timing of state match and award of federal grant)

<u>Payment Quarter</u>	<u>2022 CW Payment Amount</u>	<u>2022 BIL CWSRF General Allotment Payment Amount</u>
April 1, 2022 – June 30, 2022		
July 1, 2022 - September 30, 2022		
October 1, 2022 - December 31, 2022	\$20,882,000	\$32,122,000
January 1, 2023 - March 31, 2023		
April 1, 2023 - June 30, 2023		
July 1, 2023 - September 30, 2023		
October 1, 2023 - December 31, 2023		
January 1, 2024 - March 31, 2024		
April 1, 2024 - June 30, 2024		
Total	\$20,882,000	\$32,122,000

Appendix C

PRIORITY RATING SYSTEM for Wastewater Projects

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
<p><u>Instructions:</u> For each line item, mark "X" to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each category, provide the total points claimed for each program in the subtotal row for that category. Then add the subtotals from each category and enter the Total of Points for All Categories in the last line. Note that some categories have a maximum allowed points that may be less than the total of individual line items.</p>			
Line Item #	Category 1 – Project Purpose (Points will be awarded for <u>only one</u> Project Purpose)	Claimed Yes/No	Points
1.A	Project will consolidate a nonviable drinking water or wastewater utility		25
1.B	Project will resolve failed or failing infrastructure issues		20
1.C	Project will rehabilitate or replace infrastructure, including replacement by a regionalization projects		12
1.C.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, OR lines, or tanks to be rehabilitated or replaced are greater than 40 years old		8
1.D	Project will expand infrastructure		2
1.D.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, OR lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		8
1.E	Project will provide service to disadvantaged areas		20
1.F	Reserved for other programs		
1.G	Project will provide stream/wetland/buffer restoration		10

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
1.G.1	Restoration project that includes restoration of a first order stream and includes stormwater infiltration SCMs		5
1.G.2	Restoration project that includes restoration and/or protection of riparian buffers to at least 30 feet on both sides of the stream		5
1.H	Project will provide SCMs to treat existing sources of pollution		10
1.H.1	Project that includes SCMs in series that achieve at least 35% nutrient reduction (both TN and TP) and 85% TSS reduction		10
1.I	Project will provide reclaimed water/usage or rainwater harvesting/usage		10
Maximum points for Category 1 – Project Purpose			25
Subtotal claimed for Category 1 – Project Purpose			
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	Points
2.A – 2.B	Reserved for other programs		
2.C	Project provides a specific environmental benefit		
2.C.1	Project replaces or repairs certain sewer lines, eliminates failed onsite wastewater system or non-discharge system, or resolves managerial, technical & financial issues		15
2.C.2	Project eliminates malfunctioning onsite wastewater systems		10
2.D	Project addresses promulgated but not yet effective regulations		10
2.E	Project directly addresses enforcement documents		

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
2.E.1	Project directly addresses an EPA Administrative Order for a local government Applicant located in a Tier 1 county, or addresses an existing or pending SOC, or a DEQ Administrative Order, OR		5
2.E.2	Project directly resolves a Notice of Violation or Notice of Deficiency		3
2.F	Project includes system merger or regionalization		
2.F.1	Project includes system merger OR		10
2.F.2	Project includes system regionalization and/or system partnerships		5
2.G – 2.H.2	Reserved for other programs		
2.H.3	Project addresses an emerging contaminant without an MCL		10
2.I	Project improves treated water quality by adding or upgrading a unit process		3
2.J – 2.M	Reserved for other programs		
2.N	Project provides resiliency for critical system functions		
2.N.1	Project relocates infrastructure from inside 100-year floodplain to outside 500-year floodplain OR		8
2.N.2	Project relocates infrastructure out of a 100-year floodplain OR		5
2.N.3	Project relocates infrastructure from between the 100-year and 500-year floodplains to outside the 500-year floodplain OR		3
2.N.4	Project fortifies or elevates infrastructure		4

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
	within floodplain OR		
2.N.5	Project improves ability to assure continued operation during flood events OR		4
2.N.6	Project reduces the size of infrastructure as a result of a buyout or other abrupt loss of population OR		4
2.N.7	Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including cybersecurity and/or backup electrical power source		3
2.O	Project <u>directly benefits</u> subwatersheds that are impaired as noted on the most recent version of the Integrated Report		20
2.P	Project <u>directly benefits</u> specific classified waters		10
2.Q	Project will result in elimination of an NPDES discharge		3
2.R	Primary purpose of the project is to achieve at least 20% reduction in energy use		5
2.S	Reserved for other programs		
Maximum points for Category 2 – Project Benefits			35
Subtotal claimed for Category 2 – Project Benefits			
Line Item #	Category 3 – System Management	Claimed Yes/No	Points
3.A	Capital Planning Activities		
3.A.1	Applicant has implemented an Asset Management Plan as of the date of application OR		10
3.A.2	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10 years and		2

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
	proposed project is included in the plan		
3.B	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5% of MHI		5
3.C – 3.E	Reserved for other programs		
Maximum points for Category 3 – System Management			15
Subtotal claimed for Category 3 – System Management			
Line Item #	Category 4 – Affordability	Claimed Yes/No	Points
4.A	Residential Connections		
4.A.1	Less than 10,000 residential connections OR		2
4.A.2	Less than 5,000 residential connections OR		4
4.A.3	Less than 1,000 residential connections		8
4.B	Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	Greater than \$79 OR		4
4.B.2	Greater than \$90 OR		6
4.B.3	Greater than \$107 OR		8
4.B.4	Greater than \$129		10
4.C	Local Government Unit (LGU) Indicators		
4.C.1	3 out of 5 LGU indicators worse than state benchmark OR		3
4.C.2	4 out of 5 LGU indicators worse than state benchmark OR		5

2022 PRIORITY RATING SYSTEM for Wastewater Projects			
4.C.3	5 out of 5 LGU indicators worse than state benchmark		7
4.D	Project benefits disadvantaged areas		5
4.E – 4.G	Reserved for other programs		
Maximum points for Category 4 – Affordability			25
Subtotal claimed for Category 4 – Affordability			
Total of Points for All Categories			

Appendix D Grant Percentage Matrix

Percentile Ranges for grant eligibility categories	Combined Monthly Bills¹ based on 2020 data (\$/5000 gallons)	% Grant or PF	Combined Monthly Bills + Project cost per customer per month² based on 2020 data (\$/5000 gallons)	% Grant or PF
> 99 Percentile	> \$148	100%	> \$148	100%
95 - 99 Percentile	\$129 - \$148	100%	\$129 - \$148	75%
85 - 95 Percentile	\$107 - \$129	75%	\$107 - \$129	50%
70 - 85 Percentile	\$90 - \$107	50%	\$90 - \$107	25%
50 - 70 Percentile	\$79 - \$90	25%	\$79 - \$90	0%
0 - 50 Percentile	\$0 - \$79	0%	\$0 - \$79	0%

¹ Single utility providers may divide by 0.4 for water or 0.6 for sewer applicant for calculating a combined monthly bill.

² Project cost per customer per month calculated assuming 0% interest financing for 20 years.