

State Water Infrastructure Authority
Meeting Date: February 20, 2024
Agenda Item H
Fall 2023 Application Round, Example Funding Scenario, and Funding Decisions
for Drinking Water and Wastewater
(Updated February 19, 2024)

Division of Water Infrastructure Staff Report

This report presents a *preliminary* funding scenario for the consideration of the State Water Infrastructure Authority (Authority). Subsequent updates and corrections to the application information and funding scenario (including application scores, ranking, potential funding amount, etc.) may occur and will be presented to the Authority during the meeting on February 20th. Applications are selected for funding by the Authority during the meeting, and the Authority's selections are final.

Background

The Fall 2023 application round includes funds appropriated to Water Infrastructure Funds established in G.S. 159G. This staff report presents information on the Fall 2023 application round for drinking water and wastewater applications to be funded from the Drinking Water State Revolving Fund (DWSRF), the Clean Water State Revolving Fund (CWSRF), including the Bipartisan Infrastructure Law (BIL) General Supplemental Funds, the Bipartisan Infrastructure Law DWSRF-Emerging Contaminants fund (BIL DWSRF-EC), the Bipartisan Infrastructure Law CWSRF-Emerging Contaminants fund (BIL CWSRF-EC), the Drinking Water and Wastewater Reserves (State Reserves), and the Viable Utilities Reserve (VUR). This information includes a summary of available funds and any limitation on awarding the funds, a summary of applications received, and the process staff used to apply funds in the funding scenario example presented to the State Water Infrastructure Authority (Authority). Funding demand continues to far exceed available funds.

Table 1 shows a comparison of funding requested from complete and eligible applications (including Spring 2023 reconsiderations) and the amount of funding available from the sources above. Table 1 also includes number of applications and funding availability from the Community Development Block Grant-Infrastructure (CDBG-I) program and the Local Assistance for Stormwater Infrastructure Investments (LASII) fund, which are covered in Agenda Items G and I, respectively.

Applications and funding available for the BIL DWSRF Lead Service Line Replacement (DWSRF-LSLR) funds are summarized in Agenda Item E.

Table 1. Comparison of Funding Requested from Complete and Eligible Applications (including Spring 2023 Reconsiderations) and Amount of Funding Available

Application Type	No. of Applications	Total Requests	Approximate Amount Available ¹			
Community Development Block Grant - Infrastructure	5	\$7.7 M	CDBG-I Grant: \$19M			
Drinking Water Projects	102 (incl. 28 Emerging Contaminants)	\$1.17 B	DWSRF Loan ¹ : \$80 M	BIL DWSRF-EC: \$21.2M (100% PF)	State Reserves Grant: \$12 M ²	Viable Utility Reserve: <\$1.2M ⁴
Wastewater Projects	76 (including 3 Emerging Contaminants)	\$987 M	CWSRF Loan ¹ : \$100 M	BIL CWSRF-EC: \$ 5.3M (100% PF)		
Asset Inventory & Assessment Grants	45	\$9.0 M	ARPA Study Grant \$1.5 M			
Merger/Regionalization Feasibility Grants	4	\$0.6 M				
Stormwater Construction	17	\$64 M	LASII Grant: \$0 M ³			
Stormwater Planning	18	\$5.9 M	LASII Grant: \$3 M			
Total:	267	\$2.25 B	\$243 M			

¹Including Principal Forgiveness (PF).

² Approximately half of the State Reserve Grant funds are available in Fall 2023 for planning and construction projects. The remainder will be made available in the Spring 2024 funding round for construction projects.

³ Anticipated that \$12 million will be available for stormwater construction projects in the Spring 2024 funding round from the funds appropriated to the LASII fund in SL 2023-134. Fall stormwater construction applications will be considered in the Spring 2024 funding round.

⁴ Remaining portion of original \$9M VUR allocation. Includes portion for future emergency operating grants.

Fall 2023 Funds Available

The following funds are available for award for the Fall 2023 Application Round:

- Clean Water State Revolving Fund and DWSRF funds are available to local government units (LGUs) and nonprofit water corporations (and investor-owned drinking water corporations for the DWSRF) in the form of low-interest loans and principal forgiveness (PF). State Revolving Fund (SRF) amounts in this staff report include a portion of the BIL General Supplemental funds for the CWSRF and DWSRF programs. Bipartisan Infrastructure Law funds for the DWSRF-EC and CWSRF-EC are described as separate funds available. Projects may be eligible for both regular SRF funds and the BIL SRF-EC funds. The funds have separate priority rating systems (PRSS) approved by the Authority. Funding spreadsheets prioritizing projects are provided for regular SRF projects and EC-eligible projects. This staff report does not include information about funding from capitalization grants for DWSRF-LSLR funds.

The Authority may consider the additional information provided in the wastewater project applications for determining funding commitments for the CWSRF. Federal requirements also specify that at least ten percent of the annual CWSRF capitalization grant shall be used for eligible Green Projects, and at least 15 percent of the DWSRF loans shall be used for providing funding assistance to small water systems.

- Bipartisan Infrastructure Law funds for Emerging Contaminants (CWSRF-EC and DWSRF-EC) projects are available to LGUs and nonprofit water corporations (and investor-owned drinking water corporations for the DWSRF) in the form of PF. The DWSRF-EC funds include a reserve of 50 percent of the available funds to support evaluation/assessment (i.e., planning) projects if there is enough demand for planning projects. Bipartisan Infrastructure Law Drinking Water State Revolving Fund Emerging Contaminants funding is limited to \$5 million for construction projects and \$500,000 for planning projects. Bipartisan Infrastructure Law Clean Water State Revolving Fund Emerging Contaminants projects do not have funding limits or a reserve for planning projects. Emerging contaminants projects may be eligible for both regular SRF funds and the CWSRF-EC or DWSRF-EC funds. These funds have a separate PRSS approved by the Authority. Funding spreadsheets prioritizing projects are provided for regular SRF projects and EC-eligible projects.
- Grants from the State Reserve Program (SRP) for drinking water and wastewater projects are available for construction projects for the Fall 2023 application round. State Reserve Program grants for drinking water and wastewater projects are limited to \$3,000,000 per eligible applicant every three years.
- American Rescue Plan Act (ARPA) study grants and grants from the State Reserve Program (SRP) are available for asset inventory and assessment (AIA) grants and merger/regionalization feasibility (MRF) grants. These planning grants are limited to \$400,000 per eligible entity, cumulative over time.
- State Reserve Program grants for AIAs are limited only to drinking water or wastewater systems serving fewer than 10,001 people and are limited to \$150,000 per eligible applicant every three years for each type of service. SRP grants for MRFs are limited to \$50,000 per eligible applicant every three years for each type of service.

- Grants from the VUR are provided for LGUs who have been designated as distressed by the Authority and Local Government Commission (LGC). These LGUs are eligible to receive up to \$15 million of grant funding from the VUR for eligible study grants and construction projects.¹

Summary of Applications Received

Fall 2023 applications were due October 2, 2023. A total of 234 applications were submitted (including for stormwater and CDBG-I applications). An additional 44 unfunded Spring 2023 drinking water, wastewater, and AIA applications were reconsidered as part of this round. A summary of the number of drinking water and wastewater applications considered in funding recommendations covered in this staff report is shown in Table 2. Requested funding for construction projects far exceeds the amount of available funds for this round.

Table 2 - Number of Applications (including Reconsiderations)					
Category	Drinking Water	Wastewater	AIA	MRF	Total
Incomplete/Ineligible	1	4	2	2	9
Complete and eligible new applications	82	59	38	4	183
Spring 2023 Reconsiderations	20	17	7	0	44
Total Complete and Eligible Applications Considered	102	76	45	4	227
Funding Requested from Complete and Eligible Applications	\$1.18 billion	\$987 million	\$9.05 million	\$610,000	\$2.177 billion

During earlier funding rounds, Authority members requested additional information on the types of projects in applications received. Table 3 shows, for construction projects, only the number of applications from Distressed LGUs; the number that self-identified that the project is the result of a previously awarded AIA or MRF project; and projects that received prioritization for certain, but not all, priority line items.

¹ See G.S. 159G-32(d)(1)-(5) for information on what types of projects are eligible for VUR funding.

Project Type (excluding CDBG-I)	Parameter Type											
	Total	Local Government Unit Designated as Distressed	Result of Awarded AIA/MRF [†]	Consolidate a Non-Viable Utility ^a	Failing Infrastructure ^b	Rehab/Replace Old Infrastructure ^c	Provide Service to Disadvantaged Areas ^d	Address Enforcement Document ^e	Merger/ Regionalization ^{f,†}	Emerging Contaminants ^{g,†}	Resiliency ^h	Benefits to Disadvantaged Community or Area ⁱ
Drinking Water	102	31	9	0	1	46	3	3	5	30	26	48
Wastewater	76	29	15	1	0	49	0	14	5	3	39	38
Total	178	60	24	1	1	95	3	17	10	33	65	86

^a Consolidate a Non-Viable Utility: successfully claimed Line Item 1.A of the Construction PRSs for WW/DW.

^b Failing Infrastructure: successfully claimed Line Item 1.B of the Construction PRSs for WW/DW.

^c Rehab/Replace Old Infrastructure: successfully claimed Line Items 1.C.1 or 1.D.1 of the Construction PRSs for WW/DW.

^d Provide Service to Disadvantaged Area: successfully claimed Line Item 1.E of the Construction PRSs for WW/DW. Does not include similar applications that successfully claimed Line Item 1.B (Failing Infrastructure) points instead.

^e Address Enforcement Document: successfully claimed Line Items 2.E.1 or 2.E.2 of the Construction PRSs for WW/DW.

^f Merger/Regionalization: successfully claimed Line Items 2.F.1 or 2.F.2 of the Construction PRSs for WW/DW.

^g Address Emerging Contaminants: successfully claimed Line Item 2.H.3 or 2.H.4 of the Construction PRSs for WW/DW. Only projects that are exclusively addressing Emerging Contaminants are eligible for BIL Emerging Contaminants Funds.

^h Resiliency: successfully claimed one of Line Items 2.N.1 through 2.N.7 of the Construction PRSs for WW/DW.

ⁱ Benefits to Disadvantaged Community or Area: qualifies for principal forgiveness/grants if applicant is a Disadvantaged Community based on Affordability Criteria and/or project is primarily benefiting a disadvantaged area and successfully claimed Line Item 4.C.4 of the Construction PRSs for WW/DW.

[†] Projects resulting from an AIA or MRF are self-identified.

Example Funding Scenario for SRF, State Reserve Programs, and ARPA Planning

The Authority may consider multiple funding scenarios. In the example funding scenario presented, applications are shown as receiving the best available funding for project applications in priority order until available funds are exhausted. The order of funding is as follows:

- Apply non-ARPA State Reserve study grant funds to MRF projects with up to \$50,000 per recipient.
- Apply ARPA State Reserve Study Grant funds to MRF projects with up to \$400,000 per recipient for funding requests exceeding \$50,000, if the applicant has not previously been awarded up to the maximum \$400,000 ARPA study grant limit.

- Apply VUR funding to MRF projects for LGUs designated as distressed if no other funding source for MRF grants is available.
- Apply non-ARPA State Reserve study grant funds to AIA projects with up to \$150,000 per recipient per drinking water or wastewater system.
- Apply ARPA State Reserve Study Grant funds to AIA projects with up to \$400,000 per recipient for funding requests exceeding \$150,000, if the applicant has not previously been awarded up to the maximum \$400,000 ARPA study grant limit.
- Apply BIL DWSRF-EC and BIL CWSRF-EC funds to eligible projects using the EC PRSs.
- Adjust recommendations to BIL DWSRF-EC funds to meet the 50 percent reserve of awarded funds to support planning projects if there is sufficient demand in project applications, and a minimum 25 percent of funding assistance to disadvantaged communities.
- Apply SRP grants to eligible construction projects up to \$3 million.
- Apply DWSRF and CWSRF PF (up to initial cap of \$500,000) and SRF loan funds to eligible projects until awarded funds meet SRF loan funds available.
- Adjust recommendations to the DWSRF to meet the minimum 15 percent loan assistance to small water systems.
- Adjust recommendations to the CWSRF to meet the minimum 10 percent capitalization grant Green Project Reserve (GPR) loan assistance.
- Apply any additional available PF in \$500,000 increments to projects receiving SRF funds, up to principal forgiveness eligibility, starting with the highest-scoring application receiving SRF funds.
- Apply the rest of SRF loan and PF funds to the next eligible projects in priority order to fully utilize all available funds.

Multiple projects were not awarded funding because there were insufficient grant or PF funds available to meet the minimum grant/PF amount the applicant indicated was needed for the project to move forward. See the staff notes on the spreadsheet.

In the example funding scenario presented, four MRF grants (\$610,000), 35 AIAs (\$6,050,118), six drinking water construction projects (\$94,697,580), 14 drinking water emerging contaminants evaluation/assessment studies (\$6,530,000), 16 wastewater construction projects (\$100,305,075) and one landfill emerging contaminants construction project (\$5,304,960) would receive a loan, PF, and/or grant funding from the SRFs and SRPs, including the BIL-EC funds, totaling \$213.5 million in funding assistance. Table 4 summarizes the example funding scenario.

Table 4. Example Funding Scenario for Fall 2023 Funding						
Project Types	Applications considered	Potential applications in example funding scenario	Potential SRP / ARPA / VUR grants	Potential SRF Principal Forgiveness	Potential SRF loans	Potential total funding
MRF	4	4	\$0.6 M	\$0 M	\$0 M	\$0.6 M
AIA	45	35 38	\$6.1 M \$6.7 M	\$0 M	\$0 M	\$6.1 M \$6.7 M
Drinking Water Emerging Contaminants	28	17	\$0 M	\$30.2 M	\$44 M	\$74.2 M
Drinking Water Construction (excluding EC)	74	3	\$0 M	\$7.6 M	\$19.5 M	\$27.1 M
Wastewater/Landfill Emerging Contaminants	3	1 2	\$0 M	\$5.3 M \$5.8 M	\$0 M	\$5.3 M \$5.8 M
Wastewater Construction (excluding. EC)	73	16	\$3 M	\$14.2 M	\$83.2 M	\$100.3 M
Total	227	76 80	\$9.7 M \$10.3 M	\$57.2 M \$57.7 M	\$146.6 M	\$213.5 M \$214.6 M

Table 5 shows the number of *potentially funded* construction projects from distressed LGUs, the number that self-identified that the project is the result of a previously awarded AIA or MRF project, and projects that received prioritization for certain, but not all, priority line items.

Table 5. Summary of Projects in the Example Funding Scenario by Characteristics and Receiving Specific Priority Rating System Points

Project Type (excluding CDBG-I)	Parameter Type											
	Total	Local Government Unit Designated as Distressed	Result of Awarded AIA/MRF [†]	Consolidate a Non-Viable Utility ^a	Failing Infrastructure ^b	Rehab/Replace Old Infrastructure ^c	Provide Service to Disadvantaged Areas ^d	Address Enforcement Document ^e	Merger/ Regionalization ^{f,†}	Emerging Contaminants ^g	Resiliency ^h	Benefits to Disadvantaged Community or Area ⁱ
Drinking Water	20	3	0	0	1	2	0	1	0	18	1	7
Wastewater	17 18	8	6	1	0	13	0	4	2	1 2	10	11
Total	37 38	11	6	1	1	15	0	5	2	19 20	11	18

^a Consolidate a Non-Viable Utility: successfully claimed Line Item 1.A of the Construction PRSs for WW/DW.

^b Failing Infrastructure: successfully claimed Line Item 1.B of the Construction PRSs for WW/DW.

^c Rehab/Replace Old Infrastructure: successfully claimed Line Items 1.C.1 or 1.D.1 of the Construction PRSs for WW/DW.

^d Provide Service to Disadvantaged Area: successfully claimed Line Item 1.E of the Construction PRSs for WW/DW. Does not include similar applications that successfully claimed Line Item 1.B (Failing Infrastructure) points instead.

^e Address Enforcement Document: successfully claimed Line Items 2.E.1 or 2.E.2 of the Construction PRSs for WW/DW.

^f Merger/Regionalization: successfully claimed Line Items 2.F.1 or 2.F.2 of the Construction PRSs for WW/DW.

^g Address Emerging Contaminants: successfully claimed Line Item 2.H.3 or 2.H.4 of the Construction PRSs for WW/DW. Only projects that are exclusively addressing ECs are eligible for BIL EC funds.

^h Resiliency: successfully claimed one of Line Items 2.N.1 through 2.N.7 of the Construction PRSs for WW/DW.

ⁱ Benefits to Disadvantaged Community or Area: qualifies for PF/grants if applicant is a Disadvantaged Community based on Affordability Criteria and/or project is primarily benefiting a disadvantaged area and successfully claimed Line Item 4.C.4 of the Construction PRSs for WW/DW.

[†] Projects resulting from an AIA or MRF are self-identified.

Project-Specific Notes for Applications in the Example Funding Scenario

MRF Applications for Funding

- All 4 of the eligible MRF applications are shown as fully funded in the funding scenario.
- Two out of four of the MRFs (50 percent) are focused on viability of distressed LGUs.
- Goldsboro has previously been awarded an ARPA Planning project funding, their funding request exceeds their remaining ARPA Planning funding and the cap for an SRP-funded MRF grant. Division staff recommend that this application be funded using VUR.
- The following applicants within the funding scenario received Session Law 2023-134 Budget

Appropriations for water or wastewater projects:

- City of Goldsboro - \$5,000,000
- Cleveland County Water - \$4,290,000 (water treatment sedimentation basin)
- Fremont's application, prepared under the guidance of the LGC and Division staff, proposes to result in an adopted Memorandum of Understanding (MOU) to merge their wastewater collection system with the Town of Eureka's and to perform a rate study of the merged system per the MOU. Eureka is a D1 Distressed LGU and has been formally declared non-viable via a resolution by the LGC and concurrence by the Division. Regardless of the solutions to be identified for the larger Wayne County region, this merger must occur to improve the viability of both towns' wastewater collection systems.
- The two ineligible applications did not include the required acknowledgement letters/resolutions from the partnering systems.

AIA Applications for funding

- ~~35~~ 38 out of 45 AIA applications (~~77~~ 84 percent) are shown as funded in the funding scenario. The last funded project scores ~~13~~ 12 points.
- Nineteen out of 45 AIA applications are from distressed LGUs, and all ~~except two from Snow Hill~~ are shown as funded in the funding scenario.
- No AIA applications were received from units under the LGC fiscal control.
- City of Goldsboro's project is not eligible for State Reserve funds because they serve >10,000 residential connections and would therefore be eligible only for an ARPA study grant. **The AIA is a high priority for the City.** The City currently has a \$300,200 ARPA pre-construction planning grant (PCPG). **Local government units are eligible for \$400,000 total in ARPA study grants.** The recommendation is to fund ~~up to a total of \$400,000 for both the previously approved PCPG and the AIA~~ the AIA study, pending the de-obligation of the PCPG if the City prioritizes the AIA over the PCPG. The Division can work with the City in adjusting its prior award accordingly.
- The following projects are included in the funding scenario. The precise ARPA amounts versus SRP grant amounts are contingent on the City of Goldsboro's de-obligation of the ARPA PCPG grant funds previously awarded.
 - Tyrrell County, Water System County to be funded partially with State Reserve or fully with ARPA.
 - Town of Boonville, Sewer System AIA. Fully funded with State Reserve.
 - Town of Snow Hill, Sewer AIA. Split funded with State Reserve and ARPA.
 - Town of Snow Hill, Water AIA. Partially funded with a split of State Reserve and ARPA. Uses the last of the ARPA Study grant funds.

- ~~Nine Eleven~~ AIA applications in the funding range requested more than the \$150,000 limit of an SRP-funded AIA and are considered for ARPA study grants. Four of the applicants, excluding Goldsboro, had already maximized the ARPA study grant awards and are limited to partial funding in the \$150,000 in SRP-funded AIAs.
- Gates County is partially funded by ARPA and SRP because the County maximized the ARPA study grant awards.
- ~~Tyrrell County is partially funded from ARPA and SRP because it uses the last remaining ARPA funds available.~~
- The following applicants within the funding scenario received S.L. 2023-134 Direct Appropriations for water or wastewater construction projects:
 - City of Goldsboro - \$5,000,000
 - Town of Bladenboro - \$14,000,000
 - Town of Princeton - \$2,520,000
 - Town of Stoneville - \$2,700,000 (Water system improvements)
 - Town of Dobson – \$1,550,000 (Ridge Road Pump Station)
 - Town of Four Oaks - \$4,600,000
 - Town of Spruce Pine - \$2,500,000
 - Gates County - \$9,145,000 (Town of Gatesville project), \$1,000,000
 - Warren County - \$5,000,000
 - Town of Boonville - \$3,000,000
 - ~~Town of Snow Hill - \$4,222,500~~

Drinking Water Emerging Contaminant Project Applications

- Seventeen of the 28 applications for EC funds are recommended for funding.
 - Three EC construction projects (\$15 million in DWSRF-EC PF funds).
 - Fourteen EC evaluation/assessment projects (\$6.53 million in DWSRF-EC PF funds)
- The 50 percent reserve (\$10.7 million) for EC planning projects was not met with all eligible EC planning projects. All eligible EC planning projects are shown as funded in the example scenario.
- The last funded construction project scores 58 points.
- All three EC construction projects recommended for BIL DWSRF-EC funds are within the funding range for SRF and SRP funds and are recommended to receive additional funding from

the DWSRF program.

- The following applicants within the funding scenario received S.L. 2023-134 Direct Appropriations for water or wastewater construction projects:
 - Fayetteville Public Works Commission - \$12,000,000
 - Town of Carthage - \$10,000,000
 - Town of Siler City - \$2,500,000 (elevated storage), \$75,250,000 (specified project)
 - South Granville Water and Sewer Authority - \$5,000,000
 - Harnett County - \$10,793,200 (Buies Creek-Coats Connector), \$15,000,000 (WWTP expansion)
 - Johnston County - \$20,000,000
 - City of Burlington - \$5,500,000

Drinking Water Project Applications

- Six of the 103 applications for drinking water construction project funding are recommended for funding. The last funded project scores 58 points.
 - Staff also recommend three of the projects for DWSRF-EC funds.
- Thirty-one out of 103 drinking water project applications (30 percent) were from LGUs designated as distressed.
- After identifying all applications that qualify for SRF loan assistance and receiving the initial \$500,000 PF cap (where eligible), additional PF funding was available. In accordance with the DWSRF Intended Use Plan (IUP), the additional PF funding exceeding the \$500,000 cap would be awarded in \$500,000 increments up to the maximum PF eligibility of those projects, in priority order. For this funding round, additional PF exceeding the \$500,000 cap was available for the following projects:
 - Neuse Regional Water and Sewer Authority PFAS Treatment (\$6 million PF and \$19 million repayable loan),
 - Cumberland County, Gray's Creek Phase 1 (\$2,637,000 PF),
 - Warrenton, Town-Wide Water System Improvements (\$1,564,600 PF)
 - Fayetteville Public Works Commission, PO Hoffer Glenville Lake GAC Construction (\$6 million PF and \$19 million repayable loan).
- Fayetteville Public Works Commission, PO Hoffer Glenville Lake GAC Construction project is the last application in the funding range. The project is partially funded with a combination of DWSRF-EC and DWSRF funding.
- The following projects would remain partially funded in this funding scenario:
 - Neuse Regional Water and Sewer Authority PFAS Treatment

- Town of Weldon, Water Plant Replacement, Emerging Contaminant Removal
- Fayetteville Public Works Commission, PO Hoffer Glenville Lake GAC Construction
- The following applicants within the funding scenario received SL 2023-134 Direct Appropriations for water or wastewater construction projects.
 - Town of Weldon - \$800,000
 - Fayetteville Public Works Commission - \$12,000,000

Wastewater Emerging Contaminants Project Applications

- ~~One~~ **Two** of the three applications for CWSRF-EC funds are recommended for funding:
 - Cumberland County, Landfill Leachate PFAS treatment. The project is partially funded with DEQ’s entire FY2022 and FY2023 CWSRF-EC allotment from US EPA.
 - **City of Lumberton, PFAS Wastewater Treatment Plant Study. Pending DEQ receipt of additional CWSRF-EC funds.**
- None of the wastewater EC projects were within the funding range for SRF and SRP funds.
- None of the wastewater EC projects received a SL 2023-134 direct appropriation.

Wastewater Project Applications

- Sixteen out of 81 wastewater construction project applications are recommended for funding. The last funded project scores 50 points, excluding the GPR project.
- Thirty-one out of 81 wastewater project applications (38 percent) were from LGUs designated as distressed, and 11 are shown in the funding range in this scenario.
- Town of Eureka project is the highest scoring project this round (83 pts) and is to consolidate a non-viable system. The project is eligible for \$3 million PF to resolve non-viability. The project is also eligible for \$3 million in SRP grant. This project was considered in previous funding rounds and did not score high enough to be in the funding scenario.
- After identifying all applications that qualify for SRF loan assistance and receiving the initial \$500,000 PF cap (where eligible), additional PF funding was available. In accordance with the CWSRF IUP, the additional PF funding exceeding the \$500,000 cap would be awarded in \$500,000 increments up to the maximum PF eligibility of those projects, in priority order. For this funding round, additional PF exceeding the \$500,000 cap was available for the following projects:
 - Town of Hertford, WWTF rehab (\$1.5 million PF and \$3.3 million CWSRF repayable loan)
 - Town of Rhodhiss, 2023 High Priority Collection System Improvements (\$638,250 PF and \$212,750 CWSRF repayable loan)
 - Town of Whiteville, phase 3 Sewer Improvements (\$1.5 million PF and \$5.37 million CWSRF repayable loan)

- Bay River Metropolitan Sewage District, Oriental WWTF Improvement (\$1.48 million PF and \$2.98 million CWSRF repayable loan)
- Town of Ahoskie, Wastewater System Rehab (\$1.5 million PF and \$2.66 million CWSRF repayable loan)
- Town of Walstonburg, Pumping Station & Sewer Improvements (\$791,000 PF)
- Gates County, Wastewater Treatment Plant Restoration (\$1.5 million PF and \$77,816 CWSRF repayable loan)
- The City of Laurinburg, Bridge Creek & College Park Sewer Rehab project was previously funded. The application states that the City is not in a position to incur debt, so this resubmitted application is to only request additional PF or grant. The application is not eligible for additional grant of PF so no additional loan funding is shown in the scenario.
- The Johnston County, Four Oaks, Holt Lake, Nuese River WWPS project application is the last wastewater project funded with CWSRF funds (excluding CWSRF loans for GPR projects).
- Fayetteville Public Works Commission, BRCO Lift Station Elimination project application is in the funding scenario to meet the CWSRF GPR requirement. The project would reduce energy consumption.
- Cape Fear Public Utility Authority, Southside WWTP Replacement and Capacity Project is the only partially funded project (\$207 million unfunded)
- The following applicants within the funding scenario received SL 2023-134 Direct Appropriations for water or wastewater construction projects.
 - Town of Eureka - \$20,000,000
 - Town of Hertford - \$1,300,000 (increase water capacity), \$3,000,000 (Marine Industrial Park Projects)
 - Cape Fear Public Utility - \$18,000,000 DW extension to address PFAS), \$17,000,000 (Regionalization/consolidation to address PFAS)
 - Gates County - \$9,145,000 (Town of Gatesville project), \$1,000,000
 - Town of Ayden - \$3,000,000
 - Johnston County - \$20,000,000
 - Fayetteville Public Works Commission - \$12,000,000

This example funding scenario is detailed in Tables 6 – 11 below. These tables identify the projects that would potentially be funded under the example funding scenario. A full list of applications, including those that would not be funded under this scenario, are shown in the accompanying spreadsheets (Agenda Items H-1 through H-8). Application numbers in the tables below reference application numbers in the accompanying spreadsheets.

Other Funding Scenarios

Note that there are other funding scenarios which could be constructed, and staff can assist the Authority with other scenarios during the meeting.

Table 6. Merger/Regionalization Feasibility (MRF) Grant Applications – Example Funding Scenario

SWIA Sheet Appl. No	Applicant Name	Project Name	County	Amount of Funding Requested by Applicant	Potential non-ARPA State Reserve Grant Amount	Potential Viable Utility Reserve Grant Amount	Potential ARPA SRP Grant Amount	Applicant Received 2023-134 Approp.
1	Goldsboro, City of	Goldsboro MRF Part B	Wayne	\$260,000		\$260,000		X
2	Fremont, Town of	Fremont - Eureka MRF	Wayne	\$50,000	\$50,000			
3	Cleveland County Water	Water MRF	Cleveland	\$100,000			\$100,000	X
4	Cleveland County Water	Wastewater MRF	Cleveland	\$200,000			\$200,000	X
Totals for MRF Grants					\$50,000	\$260,000	\$300,000	
						\$610,000		

Table 7. Asset Inventory and Assessment (AIA) Grant Applications – Example Funding Scenario

SWIA Sheet Appl. No	Applicant Name	Project Name	County	Amount of Funding Requested by Applicant	Potential non-ARPA State Reserve Grant Amount	Potential ARPA SRP Grant Amount	Applicant Received 2023-134 Approp.
1	Goldsboro, City of	Goldsboro Wastewater System Masterplan	Wayne	\$350,000		\$350,000	x
2	Lilesville, Town of	2023 Lilesville Water AIA Project	Anson	\$150,000	\$150,000		
3	Northern Cumberland Regional Sewer System (NORCRESS) District	Asset Management & Financial Plan	Cumberland	\$400,000		\$400,000	
4	Green Level, Town of	Green Level Sewer AIA	Alamance	\$150,000	\$150,000		
5	Bladenboro, Town of	Wastewater Asset Inventory & Assessment	Bladen	\$150,000	\$150,000		x
6	Godwin, Town of	Water Asset Inventory and Assessment	Cumberland	\$150,000	\$150,000		
7	Lilesville, Town of	Sewer System Asset Management Plan	Anson	\$150,000	\$150,000		
8	Princeton, Town of	Sewer System Asset Inventory Assessment	Johnston	\$150,000	\$150,000		x
9	Stoneville, Town of	Stoneville Wastewater AIA	Rockingham	\$150,000	\$150,000		x
10	Dobson, Town of	Dobson Sewer AIA	Surry	\$150,000	\$150,000		x
11	Dobson, Town of	Dobson Water AIA	Surry	\$150,000	\$150,000		x
12	Hertford County Southern Rural Water District	Water System Asset Inventory & Assessment	Hertford	\$150,000	\$150,000		
13	Four Oaks, Town of	Four Oaks Water AIA Application	Johnston	\$150,000	\$150,000		x
14	Spruce Pine, Town of	Spruce Pine Water AIA	Mitchell	\$150,000	\$150,000		x
15	Spruce Pine, Town of	Spruce Pine Sewer AIA	Mitchell	\$150,000	\$150,000		x
16	Gates County	Gates County Water System AIA	Gates	\$383,000		\$383,000	x
17	Conover, City of	Water AIA	Catawba	\$400,000	\$150,000		

Table 7. Asset Inventory and Assessment (AIA) Grant Applications – Example Funding Scenario

SWIA Sheet Appl. No	Applicant Name	Project Name	County	Amount of Funding Requested by Applicant	Potential non-ARPA State Reserve Grant Amount	Potential ARPA SRP Grant Amount	Applicant Received 2023-134 Approp.
18	Lake Lure, Town of	Lake Lure Water AIA Project	Rutherford	\$150,000	\$150,000		
19	Broadway, Town of	Water Sys AIA to Support Regionalization	Lee	\$400,000	\$150,000		
20	Green Level, Town of	Green Level Water AIA	Alamance	\$150,000	\$150,000		
21	Gates County	Gates County Wastewater System AIA	Gates	\$250,000	\$150,000	\$17,000	x
22	Conover, City of	Sewer AIA	Catawba	\$400,000	\$150,000		
23	Hertford County Northern Rural Water District	Water System Asset Inventory & Assessment	Hertford	\$150,000	\$150,000		
24	Warren County	Wastewater AIA	Warren	\$150,000	\$150,000		x
25	Saratoga, Town of	Water System AIA	Wilson	\$150,000	\$150,000		
26	Saratoga, Town of	Sanitary Sewer AIA	Wilson	\$150,000	\$150,000		
27	Granite Falls, Town of	Wastewater Asset Inventory & Assessment	Caldwell	\$150,000	\$150,000		
28	Greene County	Greene County Water AIA	Greene	\$150,000	\$150,000		
29	Four Oaks, Town of	Four Oaks Sewer AIA	Johnston	\$150,000	\$150,000		x
30	Princeton, Town of	Water System Asset Inventory Assessment	Johnston	\$150,000	\$150,000		x
31	Town of Lattimore	Sewer System AIA	Cleveland	\$150,000	\$150,000		
32	Boonville, Town of	Water System Asset Inventory Assessment	Yadkin	\$150,000	\$150,000		x
33	Norwood, Town of	Norwood Water AIA	Stanly	\$150,000	\$150,000		
34	Dunn, City of	Water System AIA	Harnett	\$400,000	\$150,000		
35	Tyrrell County	Tyrrell County Water System AIA	Tyrrell	\$255,000	\$150,000 \$0	\$100,118 \$255,000	

Table 7. Asset Inventory and Assessment (AIA) Grant Applications – Example Funding Scenario							
SWIA Sheet Appl. No	Applicant Name	Project Name	County	Amount of Funding Requested by Applicant	Potential non-ARPA State Reserve Grant Amount	Potential ARPA SRP Grant Amount	Applicant Received 2023-134 Approp.
36	Boonville, Town of	Sewer System Asset Inventory Assessment		\$150,000	\$150,000		x
37	Snow Hill, Town of	Snow Hill AIA Sewer		\$208,000	\$150,000	\$58,000	x
38	Snow Hill, Town of	Snow Hill AIA Water		\$253,000	\$150,000	\$87,318	x
Totals for AIA grants:					\$4,800,000	\$1,250,118	
					\$5,100,000	\$1,550,318	
					\$6,050,118		
					\$6,650,318		

Table 8. BIL DWSRF EC Project Applications in the Example Funding Scenario							
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	BIL DWSRF EC - Principal Forgiveness	Other Funding Recommended (see Table 9)	Applicant Received 2023-134 Approp.
1	Cumberland County	Gray's Creek Phase 1	Cumberland	\$7,637,000	\$5,000,000	\$2,637,000	
2	Neuse Regional Water and Sewer Authority	PFAS Treatment	Lenoir	\$31,142,000	\$5,000,000	\$25,000,000	
3	Fayetteville Public Works Commission	PO Hoffer Glenville Lake GAC Construction	Cumberland	\$74,307,300	\$5,000,000	\$25,000,000	x
12	Neuse Regional Water and Sewer Authority	PFAS Treatment Study	Lenoir	\$500,000	\$500,000		
13	Fayetteville Public Works Commission	PO Hoffer Glenville GAC Design	Cumberland	\$4,758,400	\$500,000		x
15	Carthage, Town of	PFAS Compliance Planning Study	Moore	\$400,000	\$400,000		x

Table 8. BIL DWSRF EC Project Applications in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	BIL DWSRF EC - Principal Forgiveness	Other Funding Recommended (see Table 9)	Applicant Received 2023-134 Approp.
16	Martin County Regional Water and Sewer Authority	PFAS Eval. & Assessment Study for WTP	Martin	\$500,000	\$500,000		
19	Graham, City of	Drinking Water EC Study	Alamance	\$500,000	\$500,000		
20	Norwood, Town of	Norwood PFAS Study Project	Stanly	\$500,000	\$500,000		
21	Siler City, Town of	PFOS Compliance Planning Study	Chatham	\$400,000	\$400,000		x
22	South Granville Water and Sewer Authority	Pilot Evaluation and Planning Study	Granville	\$500,000	\$500,000		x
23	Harnett County	Harnett Regional WTP PFAS Pilot Study	Harnett	\$500,000	\$500,000		x
24	Johnston County	TGB WTP PFAS Treatment Study	Johnston	\$330,000	\$330,000		x
25	Rocky Point Topsail Water and Sewer District	PFAS Treatment Alternatives Study	Pender	\$400,000	\$400,000		
26	Burlington, City of	City of Burlington EC Study	Alamance	\$500,000	\$500,000		x
27	Lumberton, City of	PFAS Study Water Treatment Plant	Robeson	\$500,000	\$500,000		
28	Piedmont Triad Regional Water Authority	PFAS Study- RO Treatment System	Randolph	\$500,000	\$500,000		
Totals for BIL DWSRF EC Project Applications in Funding Scenario					\$21,530,000	-	

Table 9. Drinking Water Project Applications in the Example Funding Scenario for SRF and SRP Funding								
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	BIL DWSRF EC - Principal Forgiveness (see Table 8)	DWSRF Principal Forgiveness	DWSRF Loan	Applicant Received 2023-134 Approp.
1	Carolina Water Service, Inc	Amber Acres N - Well#4 Uranium Treatment	Mecklenburg	\$495,980			\$495,980	
2	Neuse Regional Water and Sewer Authority	PFAS Treatment	Lenoir	\$31,142,000	\$5,000,000		\$25,000,000	
3	Weldon, Town of	Water Plant Replacement Emerg. Contam. Removal	Halifax	\$48,036,000		\$6,000,000	\$19,000,000	x
4	Cumberland County	Gray's Creek Phase 1	Cumberland	\$7,637,000	\$5,000,000	\$2,637,000		
5	Warrenton, Town of	Town-Wide Water System Improvements	Warren	\$1,564,600		\$1,564,600		
7	Fayetteville Public Works Commission	PO Hoffer Glenville Lake GAC Construction	Cumberland	\$74,307,300	\$5,000,000	\$6,000,000	\$19,000,000	x
Totals for Drinking Water Applications in Funding Scenario						\$16,201,600	\$63,495,980	
						\$79,697,580		

Table 10. BIL CWSRF EC Project Applications in the Example Funding Scenario							
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	CWSRF EC - Principal Forgiveness	Other Funding Recommended (see Table 11)	Applicant Received 2023 Earmark
1	Cumberland County	Landfill Leachate PFAS Treatment	Brunswick	\$16,035,799	\$5,304,960		
2	Lumberton, City of	PFAS Wastewater Treatment Plant	Robeson	\$500,000	\$500,000		
Totals for BIL CWSRF EC Project Applications in Funding Scenario					\$5,304,960		
					\$5,804,960		

Table 11. Wastewater Project Applications in the Example Funding Scenario for SRF and SRP Funding

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	CW State Reserve Grant	CWSRF Principal Forgiveness	CWSRF Loan	Applicant Received 2023-134 Approp.
1	Eureka, Town of	Wastewater Collection System Improvement	Wayne	\$14,999,900	\$3,000,000	\$3,000,000	\$8,999,900	x
2	Hertford, Town of	Hertford Wastewater Treatment Plan Rehab	Perquimans	\$4,840,760		\$1,500,000	\$3,340,760	x
3	Cape Fear Public Utility Authority	Southside WWTP Replacement and Capacity	New Hanover	\$242,056,884			\$35,000,000	x
5	Washington, City of	Cherry Run PS & 5th St FM Replacement	Beaufort	\$3,694,925			\$3,694,925	
9	Rhodhiss, Town of	2023 High Priority Collection System Imp	Burke,Caldwell	\$851,000		\$638,250	\$212,750	
12	Hobgood, Town of	F23-Hobgood-Multiple Lift Station Rehab	Halifax	\$1,420,824		\$1,420,824		
13	Whiteville, City of	Phase 3 Sewer Improvements	Columbus	\$6,800,000		\$1,500,000	\$5,300,000	
15	Bay River Metropolitan Sewage District	Oriental WWTF Improvement	Pamlico	\$2,975,750		\$1,487,875	\$1,487,875	
16	Ahoskie, Town of	Wastewater System Rehabilitation	Hertford	\$4,157,400		\$1,500,000	\$2,657,400	
17	Walstonburg, Town of	Pumping Station & Sewer Line Improvement	Greene	\$791,000		\$791,000		
18	Gates County	0.015 MGD Wastewater Treatment Plant Restoration Gates Co. Wastewater System	Gates	\$2,217,816		\$1,500,000	\$717,816	x
19	Ayden, Town of	2023 Swift Creek Sanitary Sewer	Pitt	\$500,000		\$500,000		x
20	Wayne County	Genoa Sewer Rehabilitation - Phase I	Wayne	\$2,877,000			\$2,877,000	

Table 11. Wastewater Project Applications in the Example Funding Scenario for SRF and SRP Funding

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	CW State Reserve Grant	CWSRF Principal Forgiveness	CWSRF Loan	Applicant Received 2023-134 Approp.
21	Louisburg, Town of	WRF Nos. 1 and 3 Rotor Replacements	Franklin	\$630,000		\$315,000	\$315,000	
22	Johnston County	Four Oaks, Holt Lake, & Neuse River WWPS	Johnston	\$8,960,000			\$8,960,000	x
44	Fayetteville Public Works Commission	BRCO Lift Station Elimination	Cumberland	\$9,588,700			\$9,588,700*	x
Totals for Wastewater Applications in Funding Scenario					\$3,000,000	\$14,152,949	\$83,152,126	
					\$100,305,075			

* Fayetteville Public Works Commission, BRCO Lift Station Elimination is funded to meet CWSRF Green Project Reserve.