

**North Carolina
Clean Water State Revolving Fund
And
Bipartisan Infrastructure Law CWSRF
General Supplemental Funds
(Base CWSRF and BIL CWSRF-GS)
Intended Use Plan

Fiscal Year 2024**

September 2024

Changes to the draft IUP after the public comment period are identified in red font text.

**Division of Water Infrastructure
North Carolina Department of Environmental Quality**

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1. Introduction

This Intended Use Plan (IUP) provides details on the Division of Water Infrastructure's (Division) intent to administer the Clean Water State Revolving Funds (CWSRF) and to apply for the FY2024 base CWSRF capitalization grant and the FY2024 Bipartisan Infrastructure Law (BIL) CWSRF General Supplemental capitalization grant.

Excluding the allotments for 604(b) grants, North Carolina's FY2024 base CWSRF capitalization grant allotment is \$14,733,000, and the FY2024 BIL CWSRF General Supplemental capitalization grant allotment is \$41,043,000.

The Division of Water Infrastructure 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 serves to explain how the capitalization grant will be used and how 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 funding 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. Congressional Directed Spending has recently significantly

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

reduced the funding available to the base CWSRF program. However, if capitalization grants return to previous levels, or are increased, the program will be better 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. 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 are described in a separate IUP.

North Carolina will receive \$14,733,000 in a federal capitalization grant for the FY2024 base CWSRF, and \$41,043,000 in a federal capitalization grant for the FY2024 BIL CWSRF General Supplemental. North Carolina will provide a 20% state match from state appropriations, in the amounts of \$2,946,600 for the base DWSRF and \$8,208,600 for the BIL CWSRF General Supplemental capitalization grants.

CWSRF funds will not be used to satisfy debt security requirements.

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). North Carolina has set its short- and long-term goals of this IUP to align with EPA's strategic goals and objectives FY2022-2026 EPA Strategic Plan, specifically Goal #5, to Ensure Clean and Safe Water for all communities and Objective 5.2 to Protect and Restore Waterbodies and Watersheds. The Office of Water has identified specific measures that address the strategic goals and objectives outlined by EPA in its strategic plan. A basis for each goal in this program IUP has been identified. These references ensure that all the specific commitments made by the State are properly correlated to the strategic goals and objectives of the Agency. 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 systems with greatest needs.

3.2. Short-Term Goal

Continue efforts to inform LGUs of the availability of funds, benefits of the CWSRF program, and opportunities to utilize multiple funding programs to fund specialized projects.

3.3. Long -Term Goals

Goal #1: Support North Carolina Department of Environmental Quality's Strategic Goal to strengthen North Carolina's infrastructure through thoughtful, strategic, and equitable investments in communities.

- Goal #2: Support North Carolina Department of Environmental Quality's Strategic Goal to promote and ensure environmental stewardship and provide ... financial assistance to meet or exceed regulatory requirements and prevent pollution, with special emphasis on investing in water infrastructure in intentional and equitable ways to make sure water and wastewater projects serve communities with the greatest need.
- Goal #3: Support North Carolina Department of Environmental Quality's Strategic Objective to ensure funding processes include equitable access for underserved communities.
- Goal #4: Support U.S. Environmental Protection Agency's Strategic Goal 5 of ensuring clean and safe water for all communities.
- Goal #5: 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 #6: Ensure the technical integrity of CWSRF projects through diligent and effective planning, design, and construction management.
- Goal #7: Ensure the Priority Rating System reflects NCDEQ's and the Authority's goals.
- Goal #8: Aid compliance with state and federal water quality standards by all funded publicly-owned wastewater treatment works.
- Goal #9: Ensure the long-term viability of the CWSRF program through effective financial practices.

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 up to 4% of the capitalization grants (up to \$589,320 of the base CWSRF and up to \$1,641,720 from BIL CWSRF General Supplemental) for the administrative costs associated with running the program. These costs include application preparations and outreach, technical assistance, application review, engineering report and environmental document review, design review, loan processing, construction inspection, disbursement and repayment processing and accounting for funded projects.

In addition to funding infrastructure projects, the CWSRF also allows the use of set-asides of capitalization grant funds for technical assistance. The State intends to access up to 2% of the capitalization grants (up to \$294,660 of the base CWSRF and up to \$820,860 from BIL CWSRF General Supplemental) 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:

- 1) Fund Division efforts to implement the state's Viable Utilities program, assisting rural and small publicly owned treatment works. The Viable Utilities 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.

- 2) Fund NCDEQ efforts and a contract with another organization to develop and implement the Wastewater Energy Efficiency Program. This program is designed to provide wastewater system operators in small, rural publicly owned treatment works, ideally representing those systems in local government units identified as being Distressed, a six-week training program on energy efficiency concepts from basic measures such as lighting and HVAC to highly complex and specialized measures involving aeration, disinfection, and other site-specific wastewater processes. The program will help identify low and potentially no-cost energy efficiency improvements that can have a significant impact on a system's operational costs. Measures that are medium or higher in cost will be explored for feasibility as a potential application to CWSRF funding.
- 3) Technical assistance may be provided to assist disadvantaged communities and local government units designated as Distressed 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 grants at a later date and apply it to a future year's capitalization grant. Any requests for transfer will be notified in writing to EPA.

The following table provides a summary of the projected funds available as a result of the Federal capitalization grant. With the two FY2024 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 \$510 million in cash at the end of the fiscal year, including amounts that are obligated (but not yet disbursed) to active projects. Since 2022, the Division has increased the CWSRF funds awarded to projects to approximately \$200 million per year and expects project disbursements to consequently increase starting in FY2024/FY2025 concurrent with project timelines. Based on cash-flow models, approximately \$600 million is expected to be disbursed for active projects in future years, exceeding the amount of cash available at the end of the fiscal year. Revenues from repayments of loans and new capitalization grants are expected to cover the difference.

Sources and Uses For the Life of the Program (updated May 2024)

Historic Sources and Uses									
	Revenues					Expenditures		Net	
FY	Title VI Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Admin and Set-Asides	Net For FY	Cumulative Net
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
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

Sources and Uses For the Life of the Program (updated May 2024)

Historic Sources and Uses									
	Revenues					Expenditures		Net	
FY	Title VI Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Admin and Set-Asides	Net For FY	Cumulative Net
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
Base 2022	\$20,822,000	\$4,176,400	\$67,357,827	\$9,599,534	\$4,630,421	\$100,197,243	\$1,147,000	\$40,576,139	\$549,360,731
BIL 2022*	\$32,122,000	\$3,212,200							
Base 2023	\$13,538,000	\$2,707,600	\$59,430,902	\$8,980,406	\$11,096,228	\$93,326,821	\$2,200,503	\$41,606,712	\$590,967,443
BIL 2023*	\$37,619,000	\$3,761,900							
Totals	\$1,005,042,383	\$179,918,550	\$1,270,643,622	\$317,102,188	\$135,899,552	\$2,200,911,569	\$45,998,183	\$590,967,443	
Projected Sources and Uses for FY 2024 (based on Availability Model)									
	Revenues					Expenditures		Net	
FY	Title VI Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Admin and Set-Asides	Net For FY	Cumulative Net
			\$70,000,000	\$9,000,000	\$5,000,000	\$230,000,000	\$2,000,000	\$(148,000,000)	
Base 2024	\$14,733,000	\$2,946,600						\$17,679,600	
BIL 2024*	\$41,043,000	\$8,208,600						\$49,251,600	
Totals	\$55,776,000	\$11,155,200	\$70,000,000	\$9,000,000	\$5,000,000	\$230,000,000	\$2,000,000	\$(81,068,800)	\$509,898,643
Projected Uses for Active Projects beyond FY 2024 (project disbursements) (Does not take into account future funding rounds or revenues which cover the negative)						\$600,000,000			\$(90,101,357)

Values in BLUE as approximate values.

* BIL funds only reflect the BIL CWSRF General Supplemental Funds. BIL funds for Emerging Contaminants are excluded from this table.

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 projects will be based on the Priority Rating System established by the State Water Infrastructure Authority working with the Division (see Appendix C). Applications will be ranked based on the following scores, in the following order: 1) total application score (points), 2) project purpose points, 3) project benefit points, and 4) affordability points.

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 Priority Rating System generally prioritizes replacement and rehabilitation over building new infrastructure. An application will only receive priority points for one project purpose.

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

In addition to correcting water quality issues, the Priority Rating System supports 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 Priority Rating System also considers the ability of the applicant to afford projects. For example, those applicants that have a high poverty rate, high utility bills, lower population growth, lower median household incomes, and higher unemployment receive higher priority. Projects that primarily benefit subsets of the service population that are in disadvantaged areas also receive additional priority points. Local government units that are under the fiscal control of the Local Government Commission and that have required Emergency Operating Grants to balance their budgets are also prioritized.

The State Water Infrastructure 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 Rating 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 capitalization grants and associated state match. Results will be posted on the Division'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.

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, if 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.

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). If 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 scores, 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% principal forgiveness funding, the targeted interest rate will be one

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. Applicants that are eligible to receive principal forgiveness are defined as “disadvantaged communities”. Based on the current proposed appropriation following table provides minimum and maximum additional subsidy to be provided for the FY2024 base CWSRF and FY2024 BIL CWSRF General Supplemental capitalization grants. Included in these amounts, up to 10% (\$1,473,300) of the base CWSRF capitalization grant may be to provide principal forgiveness to any CWSRF-eligible recipient as initial financing to buy, refinance or restructure debt obligations for debt incurred after December 29, 2022.

Cap Grant	Congressional Additional Subsidization (10% - Base)	CWA Disadvantaged Community Subsidization Minimum (10% - Base)	CWA Disadvantaged Community Subsidization Maximum (30% -Base)	BIL General Supplemental Subsidization Amount (49%)	Total Range of Principal Forgiveness
Base CWSRF	\$1,473,300	\$1,473,300	\$4,419,900		\$2,946,600 - \$5,893,200
BIL CWSRF General Supplemental				\$20,111,070	\$20,111,070

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, and either utility rates greater than the state median 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 and either has utility rates greater than the state median 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.

Local government units under the fiscal control of the Local Government Commission on the day of the application deadline qualify for 100% principal forgiveness.

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 award, up to \$500,000.

“Disadvantaged areas” are subsections or pockets of a local government unit area or utility service area, not the entire local government unit area or entire utility service area. Disadvantaged areas are limited to less than half the number of total connections served by the applicant at the time of application. A project that benefits the entire local government unit area or entire utility service area is not eligible to be considered a “disadvantaged area” project.

Applicants can demonstrate a targeted project area as a disadvantaged area if it meets the size specifications above and 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 such as the Climate and Economic Justice Screening Tool.

Alternatively, Applicants can demonstrate a targeted project area is a disadvantaged area based on its socioeconomic data, which may be obtained for Census Block Groups or Census Tracts that provide the closest overlap with the targeted project area. **Census Block Groups are recommended.** A targeted project area will be considered a “disadvantaged area” based on at least three of the following factors:

- median household income of the targeted project area is lower than the state benchmark;
- poverty rate of the targeted project area is higher than the state benchmark;
- property values per capita of the targeted project area is lower than the state benchmark;
- unemployment rate of the targeted project area is higher than the state benchmark.

Additional factors that may qualify the targeted project area as disadvantaged, such as (but not limited to) demographic, historical, cultural, linguistic, socio-economic stressors, cost-of-living stressors, or existing contamination factors, may also be considered for targeted project areas that meet the size specification above.

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.

5.3.2.3. Notwithstanding the above limits in Items 5.3.2.2.1, 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. Principal Forgiveness limits of \$3,000,000 in item 5.3.2.2.1 and \$500,000 in item 5.3.2.2.2 may be exceeded by \$500,000 (not to exceed the applicant’s principal forgiveness percentage eligibility determined in the grant percentage matrix in Appendix D) and principal forgiveness limit of \$500,000 in item 5.3.2.2.3 may be exceeded by \$500,000 (not to exceed 50% of the award) for eligible projects in priority order. If principal forgiveness funds remain for that funding cycle, additional increments of up to \$500,000 principal forgiveness can be awarded (not to exceed the applicable eligibility limit) for eligible projects in priority order.

5.3.2.3.2. Principal Forgiveness percentages determined in 5.3.2.2.1., 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 first percentage increase, principal forgiveness percentages can be increased for eligible projects by additional 10-percent increments (not to exceed 100%) until all Principal Forgiveness funds are used.

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% of CWSRF capitalization grants (\$1,473,300 of the base CWSRF and \$4,104,300 of the BIL General Supplemental) 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 one-percentage point 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 (including not more than \$500,000 of available Principal Forgiveness) 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 applicant passes funding to qualified recipients (e.g., homeowners) 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 recipients for pass-through funding must meet specific qualification criteria established by the CWSRF applicant (i.e., the local government unit) in consultation with the Division prior to disbursement of funds. The CWSRF applicant will be responsible for developing the qualification criteria and evaluating recipients' information to verify and document their qualification. Qualification criteria established by the CWSRF applicant can distinguish between recipients that qualify for loans and grants. An income level qualification criterion should limit pass through of principal forgiveness funds to recipients whose household income is at or below the state's median household income.

5.3.4.4. The State will offer Principal Forgiveness funds and/or 0% targeted interest rate loans to applicants.

5.3.4.5. Principal forgiveness eligibility will be:

- Up to 100% of the full amount, limited to \$250,000, for applicants that will pass through all of the funding to recipients that meet qualification criteria for principal forgiveness and that do not have household income exceeding the state's median household income, or
- Up to 50% of the full amount, limited to \$500,000, for applicants that will pass through at least 50% of the total funds to recipients that meet qualification criteria for principal forgiveness and that do not have household income exceeding the state's median household income, or
- Up to 50% of the full amount, limited to \$500,000, for applicants that will pass through at least 50% of the total funds to recipients in disadvantaged areas as defined in Section 5.3.2.2.3.

5.3.5. Miscellaneous Criteria/Provisions:

5.3.5.1. Davis-Bacon prevailing wage rates apply to loans as required by funding agreements/conditions.

5.3.5.2. American Iron and Steel provisions will apply to loans as required by Federal mandates.

5.3.5.3. As required by Federal mandate, projects must comply with Executive Order 14030, *Climate-Related Financial Risk*, which reinstates EO 13690, *Establishing a Federal Flood Risk Management Standard (FFRMS)*.

- 5.3.5.4. Build America, Buy America requirements will apply to loans providing funding assistance equivalent to the capitalization grant amount as required by US EPA and by Federal mandates.
- 5.3.5.5. Brooks Act requirements will be applied to projects in a dollar amount equal to or exceeding the capitalization grant.
- 5.3.5.6. The CWSRF loan interest rate is based on half 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.
- 5.3.5.7. Approval of a CWSRF loan is contingent on approval by the Local Government Commission (LGC).
- 5.3.5.8. CWSRF loan terms are set by the LGC.
- 5.3.5.9. The maximum CWSRF loan term is determined by State statute and federal requirements.
- 5.3.5.10. A 2% loan fee is required. The loan fee cannot be financed by the CWSRF fund.
- 5.3.5.11. Loan repayments are due in May (principal and interest) and November (interest only) of each year.
- 5.3.5.12. Interest begins accruing on date of completion in the Notice to Proceed.
- 5.3.5.13. 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 and the SRF Data 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. Any requests for transfer will be notified in writing to EPA.

7. Program Evaluation Report

CWSRF anticipates receiving and responding to the Program Evaluation Report (PER) for FY2024 funding in calendar year 2025, during and following the Annual Review. The Division participated in the EPA FY2023 Annual Review, which was kicked off on February 27-28, 2024. The State didn't have any audit findings during FY2023.

8. Public Review and Comment

The Intended Use Plan is drafted by the Division, including the Priority Rating System and the funding awards as approved by the State Water Infrastructure Authority, and sent to EPA's Regional Office for review. Once the Division receives approval for the draft IUP, it is published for public review and comment. Links for the documents and notification to the public are done through the Department's website and email notifications sent to various listservs. Once the public review is completed, the Division prepares responses to any comments received and any updates to the IUP, if necessary. If no changes are proposed by the Division, a reason is provided as the response and all of these comments and responses become part of the final IUP.

In February 2024, the State Water Infrastructure Authority reviewed and updated the Priority Rating System (PRS) and approved the draft to be posted for public comments. The Division presented the proposed Priority Rating System in a separate public comment period between March 1 and April 1, 2024. Comments and questions received on the Priority Rating System, and responses, are below. The Division presented the public comments to the State Water Infrastructure Authority in April 2024, which then finalized the Priority Rating System that is being adopted in the FY2024 IUP, in Appendix C.

The Division also conducted a public comment period for the FY2024 base DWSRF and the FY2024 BIL DWSRF General Supplemental Intended Use Plan, to cover the rest of the IUP, between May 31 and July 1, 2024. Comments and responses are below.

Priority Rating System (public comments received between March 1 – April 1, 2024):

Comment: It is difficult to comment on the proposed PRS without associated Intended Use Plans or guidance to understand eligibility and prioritization of how funding is distributed.

Response: We understand the value of posting both the IUP and PRS for public comment at the same time. At this time, the FY2024 allotments for SRF and BIL funds are not available, and therefore the draft IUPs are not ready for public comment. Once the allotments are announced, the draft IUPs will be made available in a separate public comment period.
No action required.

Comment: With the proposed changes in the PRS, applicants will have to make a decision for a single project to apply for a lower project purpose score (1.J.1) to qualify for grant funding as opposed to selecting the higher scoring project purpose (1.C). For example, a single project could qualify for both 1.C and 1.J.1 line items; the same project/applicant could apply twice for the same project and have 2 separate PRS that score differently in order to be able to qualify for the EC PF funds and also be competitive for loan funding. A potential solution would be to have separate funding buckets identified in the Intended Use Plan for specific project types (emerging contaminants bucket and other eligible projects bucket) to reflect the project-type priorities of the Division of Water Infrastructure and the State Water Infrastructure Authority.

Response: The 1.C and 1.J.1 line items score the same at 12 points. These line items often are combined with other line items for additional points, such as the 1.C.1 line item for eight points in addition to Line Item 1.C, and the 2.H.4 line item for five points in addition to Line Item 1.J.1. These line items are added as applicable to the project. There may be some projects that can claim a different combination of points but only one priority purpose (Category 1) line item will be recognized for each priority score. However, it is the intent of the Division to simplify the application process and have all applicants submit only one application per project and be considered for all applicable funding programs. For a project that qualifies both as an Emerging Contaminants project (with

the relevant combination of Line Items 1.J and 2.H) by replacing or rehabilitating infrastructure (with the relevant line item 1.C), the applicant can and should claim all line items in the application (i.e. both 1.C and 1.J, including corresponding narratives describing all requirements and supporting documentation as per the PRS Guidance). The Division will apply the 1.J line item score for prioritization for the Emerging Contaminants funding program, and alternatively apply the 1.C line item score for prioritization for all other funding programs. By doing so, the applicant does not need to choose between the two project purpose line items when applying (they should claim both), provided that the project qualifies and is eligible for both purposes as defined in the Guidance document. Further, the Division may consider separate reserves for different funding needs, which will be addressed in the Intended Use Plan (and its associated public comment period), but this would not affect the Priority Rating System. **No change to the PRS.**

Comment: The proposed changes score critical public health issues less than other general project benefits. For example, Line Item 2.G – Project addresses low pressure receives 10 points which is the same as the new 2.H.1 – Project addresses acute contamination of a water supply source proposed score of 10 points and twice as much as 2.H.4 – Project addresses PFAS exceeding proposed MCL or Hazard Index. It appears, addressing contamination and its direct public health impacts is now a lower priority for the Division of Water Infrastructure based on the proposed priority rating system; and specifically addressing PFAS is a lower priority than other contamination or addressing other “promulgated but not yet effective regulations.”

Response: Addressing public health is embedded throughout the Priority Rating System, not exclusively in the 2.H line item points. Line Item 2.G – Project addresses low pressure – also addresses public health since low pressure could lead to acute contamination of drinking water and boil water advisories. Addressing acute contamination is the higher priority for protecting public health, followed by addressing contamination that is non-acute. To better reflect this, **the Staff recommend restoring Line Item 2.H.1 – Project addresses acute contamination of a water supply source – to 15 points** to raise the project benefit points for related projects. Projects that address contamination that is not acute will score 2 to 5 points in addition to other related project benefits. Projects that directly address PFAS are eligible for Line Items 1.J.1 – 1.J.3 or possibly Line Item 1.C, which, when combined with Line Items 2.H.3 and 2.H.4, provide a high project priority score to address the public health concern. Lastly, in anticipation that proposed Maximum Contaminant Levels (MCL) and/or Hazard Index for PFAS compounds may be promulgated in the coming months, **the Staff recommend including promulgated MCL and Hazard Index to Line Item 2.H.4, i.e. Line Item 2.H.4 is to be labeled “Project addresses PFAS exceeding proposed or promulgated MCL or Hazard Index.”**

Public comments on the Intended Use Plan received between May 31 – July 1, 2024:

Programmatic Requirements

Comment: The Division, through its application processes, has a valuable opportunity to inform environmental justice efforts and ensure the equitable distribution of federal and state funding. We encourage the Division to make a concerted effort to collect data and compile maps on service boundaries and infrastructure asset locations. This data would add a valuable layer to the Environmental Justice Advisory Council to oversee the development of an environmental justice mapping tool.

Encourage the Division to make data collection and comprehensive mapping of service boundaries and infrastructure assets a priority in its guidance and requirements. With any application, the Division should heavily encourage the submission of existing service boundary and asset information, including maps. We stop short of recommending this be a requirement; however, we do recommend that any utility that receives an award from SWIA and the Division be required to submit copies of any relevant service boundary and asset data that arise from the project. These projects are being paid for with public funds and the public deserves to benefit from the associated work.

This information can substantially inform efforts to identify disadvantaged communities that lack adequate water and sewer service and the equitable distribution of federal and state funds. We encourage the Division to take the lead where it is uniquely suited to aid these efforts.

Response: There are existing efforts by which service area boundary maps are already being collected for community water systems. The US Environmental Protection Agency has recently published an interactive “Community Water System Service Area Boundaries” map, attempting to display community water systems’ service area boundaries across the country. The Division of Water Resources’ Local Water Supply Plans include a requirement for community water systems to submit a system map at least every five years. These efforts include more community water systems than those that are funded by the Division of Water Infrastructure. Not all funded projects produce asset location or system map data. The Division’s Asset Inventory and Assessment funding program – which is not part of the State Revolving Funds – usually produces a system map for the purposes of the local government/utility to use in its own infrastructure planning purposes. Further, the Division’s Viable Utilities Program – also not part of the State Revolving Funds – requires that local governments designated as Distressed map their systems as part of their statutory requirements. Compilation of maps on infrastructure asset locations for other purposes will probably require agreements with all relevant parties and will need to be explored further by the Division. **No change to the Intended Use Plan.**

Comment: Recommend the State Water Infrastructure Authority (SWIA) and the Division look to the state's new Uniform Floodplain Management Policy (UFMP) for consistency in terms of resilience. While the policy applies to state-owned or state-leased construction and not all state-funded construction, we believe the policies outlined in the UFMP are sound and worth incorporating where feasible. The UFMP calls for no construction in the 100-year or 500-year floodplain except for certain categorical allowances and the potential for a waiver for individual projects. Recommend SWIA adopt a similar threshold and waiver system for its awarded projects, drawing on the Authority's own statutory authority under NCGS 159-71(1) and (2). Consideration of resilience when awarding projects will decrease the chance that infrastructure is damaged or destroyed before the end of its useful life cycle and ensures the prudent use of public funds.

Response: While the UFMP does not apply to all state-funded projects, protecting infrastructure against floods is prudent. The Priority Rating System provides prioritization for projects that would move infrastructure outside of the floodplains or would fortify infrastructure. Relatedly, and more directly affecting State Revolving Fund projects, on May 20, 2021, President Biden signed Executive Order (EO) 14030, *Climate-Related Financial Risk*, reinstating EO 13690, *Establishing a Federal Flood Risk Management Standard (FFRMS)*. This action reestablished the FFRMS for all federally-funded projects – including the State Revolving Fund projects – since FY 2022. The FFRMS will increase the resilience of infrastructure for flooding events caused by climate disasters. The FFRMS describes three approaches for determining the vertical flood elevation and corresponding horizontal floodplain for federally-funded projects. The FFRMS applies to actions where federal funds are used for new construction, substantial improvement (i.e., projects worth more than 50% of the market value or replacement cost of the facility), or to address substantial damage to structures and facilities. SRF-funded projects must check whether any proposed project activities will occur in or affect a 500-year floodplain and evaluate potential measures to avoid adversely affecting the floodplain. Federal Emergency Management Agency (FEMA) products, such as flood maps and Flood Insurance Studies (FIS) can be used to determine if an action occurs in a floodplain. Compliance with EO 14030 is a requirement of SRF projects. The Division has developed guidance for SRF projects and published it on our website and **will add a statement in the Intended Use Plan acknowledging that SRF-funded projects must comply with EO 14030.**

Comment: If SWIA does not implement a threshold for resilience, the Division could nonetheless allow for Project Benefit points related to resilience (2.N) to be cumulative instead of mutually exclusive. That way, multiple resilience measures—such as moving a facility from the 100-year floodplain to the 500-year floodplain while also fortifying the facility in its new location—will lead to increased priority.

Response: The Priority Rating System underwent a separate public comment period in March

2024, and was finalized by the State Water Infrastructure Authority in April 2024. However, this suggestion is noted and will be considered ahead of the next time that the Priority Rating System is discussed with the State Water Infrastructure Authority. **No change to the Intended Use Plan.**

Disadvantaged Areas

Comment: For several funding cycles, the Division has allowed applicants to receive increased priority when submitting an application for a project that would benefit a disadvantaged area within its boundary. We applaud this effort to incentivize local government utilities to think beyond just their current customers and deliver benefits to historically disadvantaged and underserved communities.

Response: Thank you for your appreciation. **No action needed.**

Comment: The DWSRF and CWSRF IUPs add a new method for determining whether an area within a jurisdiction is “disadvantaged,” which requires three out of four criteria (median household income, poverty rate, property values per capita, and unemployment rate) to be worse than the state benchmark. Recommend bringing this method in line with EO 292 and other statewide efforts on environmental justice.

Recommend altering the criteria used to establish a disadvantaged area in the following ways:

- For poverty level, incorporate the definition of “low-income community” used in EO 292: “communities in which the share of population experiencing poverty is more than twenty percent (20%) or the share of households in poverty is at least five percent (5%) higher than the residing county or state share.”
- Include communities of color—as defined in EO 292 as an eligible criteria for the disadvantaged area designation. DEQ’s Community Mapping System includes data on racial demographics, so this recommendation fits with current practice and can help the Division examine the racial impact of its decisions in order to comply with its obligations under Title VI of the Civil Rights Act.
- Eliminate property values as a criteria. While there may be some connection between property values and environmental justice communities, this measure relies on the assumption of ownership. There are enough more reliable indicators of disadvantaged areas that including property values is not necessary.
- Allow applicants to compare criteria to the state or a county benchmark. This will allow for a more refined picture of comparative disadvantage.

Response: 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 Department’s Community Mapping System, or similar state or federal maps such as

the Climate and Economic Justice Screening Tool. As new maps are finalized under EO 292, using the metrics recommended above, they will be accepted as a “similar state map”. This methodology is in line with EO 292. Alternatively, applicants can demonstrate a targeted project area is a disadvantaged area based on its socioeconomic data, where at least three out of the four criteria mentioned in the comment are worse than the state benchmark. This is only an alternative method and not the only way that a targeted project area can qualify as a “disadvantaged area”. This method was added to provide an alternative that would also align to the Affordability criteria that are used to determine disadvantaged communities. Furthermore, additional factors that may qualify the targeted project area as disadvantaged will also be considered. These factors may include environmental justice factors in line with EO 292. The methods to qualify targeted project areas as “disadvantaged areas” are varied, and include avenues to be in line with EO 292. The Division will consider the recommended metrics above ahead of the next time the Priority Rating System is discussed with the State Water Infrastructure Authority. **No change to the Intended Use Plans.**

Comment: Applicants should only be required to demonstrate that a disadvantaged area meets one of the listed criteria, either poverty rate, median household income, unemployment rate, or community of color. Meeting any one of these criteria indicates that the area is either disadvantaged or due for consideration of disparate impacts; requiring three out of four criteria will only narrow the potential applicant pool or number of applicable projects.

Response: Principal forgiveness funds are limited and prioritized for communities that need the additional subsidy the most. There are many Census Block Groups that are much less disadvantaged than others but may be slightly worse than the state benchmark in only one criterion. Requiring three out of four criteria to be met, rather than any one criterion, will help ensure that principal forgiveness funds are awarded to projects helping the most disadvantaged areas. **No change to the Intended Use Plans.**

Comment: Recommend only using Census Block Groups for evaluating disadvantaged area criteria, as they are a closer level of detail. Additionally, in outlining an environmental justice mapping tool, EO 292 directs the use of “demographic data on the census block level.” Using the Census Block Group level allows for consistency in executive branch-wide efforts and better refinement of data sources.

Response: We encourage using Census Block Group level data when feasible and also allow flexibility to use Census Tract level data if they represent the project area more accurately. The instructions are to use Census Block Groups or Census Tracts that provide the closest overlap with the targeted project area. This will allow for the most accurate assessment of the project area. We anticipate that applicants will find that a

combination of Census Block Groups will overlap targeted project areas best. Further, the Department's Community Mapping System uses Census Block Groups, and applicants using that method to identify disadvantaged areas will be using Census Block Groups. **No change to the Intended Use Plans.**

Decentralized Wastewater Treatment System Pilot Program

Comment: Southeast Rural Community Assistance Project, Inc. (SERCAP) has been working together with NC-DEQ's Division of Water Infrastructure (DWI) and NC-DHHS's Onsite Water Protection Branch (OSWP) since 2020 to initiate a pilot program to provide funds from the CWSRF for repairs of individual on-site wastewater systems by low-income homeowners ... Ongoing discussions with DWI and OSWP have highlighted that, despite extensive efforts extended to multiple potentially interested counties, no currently eligible CWSRF applicants have thus far chosen to apply [since the creation of the pilot program in 2022]. While multiple reasons for this hesitancy have been expressed, the "loan" aspect of the program appears to be the major stumbling block. Therefore, no CWSRF funds have yet to be provided to directly support onsite wastewater system repair/replacement costs by the nearly 50% of NC residents not served by centralized wastewater systems. However, a small number of North Carolina counties and other entities have successfully implemented their own programs to support single-family decentralized system repairs that are grant-based, not requiring loan underwriting or ongoing repayment. Counties have likewise expressed interest/willingness to apply for and administer CWSRF funds that would solely utilize "Principal Forgiveness" (e.g., grant-like) funds, which would not require repayment by low-income individuals meeting pre-established eligibility requirements. We've been encouraged that DWI appears in agreement to consider modifying program requirements to allow applicants to solely request "Principal Forgiveness" funding, at least as part of the pilot initiative.

Response: The Division sincerely appreciates the work that the partners have done to encourage local governments to apply for the pilot program, and in sharing valuable feedback with the Division. The Division is committed to making the pilot program a success and is considering changes to the program design based on the feedback. The CWSRF is a loan program and not a grant program, and there is great demand for the limited principal forgiveness funds among wastewater utilities in the state. The Division is considering making it possible to be eligible for 100% principal forgiveness for certain circumstances where 100% of the funds will be used to benefit low-income households directly, at least temporarily during the pilot program. The Division will continue to seek ways that would make the subsidized loan program successful until additional federal or state funding is made available to help fund repairs to decentralized wastewater treatment systems. **Several changes are implemented to the Decentralized Wastewater Treatment System Pilot Program design in Section 5.3.4.**

Comment: Recommend Section 5.3.4.1 to delete references to “bypassing higher priority projects” and identify that the Pilot Program is not subject to adherence to the Priority Rating System and Project Priority List.

Response: Since the funds are coming from CWSRF project funding, the projects need to be prioritized and included in the Project Priority List, per federal requirements. Bypassing applications with higher priority points is used as a mechanism to fit the CWSRF program requirements and still be able to fund the Pilot Program projects, similar to how higher priority projects can be bypassed to ensure that certain Reserve requirements are met. **No change to the IUP.**

Comment: Recommend Section 5.3.4.3 to change the word “entities” to “recipients” to be consistent with Section 5.3.4.2.

Response: **The word “entities” is changed to “recipients”.**

Comment: Recommend Section 5.3.4.3 to change eligibility from “affordability criteria” to “qualification criteria”. Eligibility should be based on the qualification of beneficiaries or individual homeowners. Also recommend that at least one qualification criterion (among other factors that may include homeownership and the home to be owner-occupied) be the recipient’s household income and limiting eligibility to the CWSRF applicant’s median household income.

Response: **We revised Section 5.3.4.3 in several ways.** The new text makes it clear that recipients (e.g., homeowners) must qualify for pass-through funding based on qualification criteria to be established by the CWSRF applicant, in consultation with the Division prior to disbursement of funds. The applicant is responsible for developing the qualification criteria and verifying and documenting the recipients’ qualification. There may be different criteria for the recipients to qualify for loans or grants offered by the CWSRF applicant. However, principal forgiveness funds can only be passed on to recipients if recipients meet more stringent qualification criteria, including but not limited to having household income that does not exceed the state’s median household income. The state’s median household income is used, rather than the CWSRF applicant’s median household income, in order to ensure uniformity across the state regardless of whether the CWSRF applicant is located in an affluent community or low-income community. If CWSRF applicants’ median household income is used instead of the state’s median household income, then residents with higher income in more affluent communities would qualify for the principal forgiveness funding whereas residents with low income in lower-income communities might not qualify.

Comment: Recommend Section 5.3.4.4 make it clear that the pass through funding will include principal forgiveness as well as the 0% targeted interest rate loans.

Response: **The suggested language is adopted in Section 5.3.4.4.**

Comment: Recommend modifying Section 5.3.4.5 to read that principal forgiveness will be up to 100% of the full amount of the award to applicants that choose to solely offer pass-through principal forgiveness funding to recipients (based on qualification criteria) limited to \$200,000, and up to 50% of the full amount of the award to applicants that choose to offer 0% targeted interest rate loans to recipients limited to \$500,000.

Response: **Section 5.3.4.5 has been modified to determine principal forgiveness eligibility as one of three options, including the first part of the recommendation:** up to 100% (limited to \$250,000) for applicants that will pass through 100% of the award to qualified recipients, or up to 50% (limited to \$500,000) for applicants that will pass through at least 50% of the award to qualified recipients, or up to 50% (limited to \$500,000) for applicants that will pass through at least 50% of the total funds to recipients in disadvantaged areas as defined in Section 5.3.2.2.3.

Comment: Recommend allowing applications for the Pilot Program to be accepted during pre-established open enrollment periods set forth within a Request for Proposals posted on the Division's website, and criteria in the Request for Proposals to be used to rank applications.

Response: The Division will accept applications for the Pilot Program using the common application form. Applications for the Pilot Program will be accepted year-round and ranked based on the current CWSRF Priority Rating System and will be presented to the State Water Infrastructure Authority when funding decisions are made for CWSRF funding. Projects with higher priority points may be bypassed in order to fund projects in the Pilot Program, as described in the IUP. **No change to the IUP.**

9. Budget and Project Periods

9.1. The budget and project periods being requested for the capitalization grants is shown in Appendix B and on EPA Form SF 424.

9.2. 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.

9.3. 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 \$2,946,600 for the base CWSRF and \$8,208,600 for the BIL CWSRF General Supplement for FY2024.

- 9.4. 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 Division of Water Infrastructure and the Division of Water Resources, including funding for positions.
- 9.5. In order to reduce and minimize federal unliquidated obligations and undisbursed non-federal cash balances, the state will draw down on the capitalization grants in the order it was received, fully spending on each year's capitalization grant fund types before drawing down from the next years capitalization grant.

Appendix A

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

The Intended Use Plan Project Priority List may be supplemented or replaced based on applications received as a part of future funding cycles.

Projects listed in the Intended Use Plan as scoring above the funding line may receive funding from the Base CWSRF allotment and/or the BIL General Supplemental CWSRF allotment and/or recycled SRF funds. The tables below illustrate an example of how the projects may be allocated between Base CWSRF and BIL General Supplemental CWSRF, but final determinations of the funding source will be made by the Division at a future date. The Division will ensure that total funding awards for the Base CWSRF and BIL General Supplemental CWSRF (including additional subsidies) meets or exceeds their allotment amounts for the State of North Carolina. This Project Priority List items the output/outcomes of the policies and procedures outlined in this Intended Use Plan for the FY2024 funds.

All additional subsidy is provided as principal forgiveness. All principal forgiveness listed below are for LGUs that meet the state’s affordability criteria or disadvantaged communities as defined in this IUP.

Spring 2024 Application Round – **Funded Projects shown in Base CWSRF; BIL CWSRF General Supplemental columns**

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Sanford, City of	Sanford Third Street Area Sewer Rehab		Lee	\$5,028,395	Co-funded with a state grant				\$2,000,000		\$2,514,198	68	Aug. 2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Cape Fear Public Utility Authority	Southside WWTP Replacement and Capacity	NC002 3973	New Hanover	\$242,056,884	Previously partially funded. CWSRF loans capped at \$35M.	\$0		\$35,000,000				67	Feb. 2025
Laurinburg, City of	Bridge Creek & College Park Sewer Rehab	NC002 0656	Scotland	\$8,951,000	Bypassed; previously funded as CS370924-02. Did not qualify for additional PF.							64	
Eden, City of	City of Eden North Basin Repairs		Rockingham	\$7,203,212	Green project	\$1,800,803		\$5,402,409				64	Aug. 2025
Kinston, City of	Herritage Street Sewer Replacement	NC002 4236	Lenoir	\$3,384,756					\$846,189		\$2,538,567	63	Aug. 2025
Kinston, City of	Upper Neuse Sewer Rehabilitation/Replace	NC002 4236	Lenoir	\$6,292,450					\$1,573,113		\$4,719,338	63	Aug. 2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Warrenton, Town of	WWTP Improvements	NC002 0834	Warren	\$1,250,000	Funded with a state grant							63	
Enfield, Town of	Phase 7 Sewer System Improvements		Halifax	\$4,900,000	Bypassed - ineligible for minimum PF requested							61	
Warrenton, Town of	Sanitary Sewer Rehabilitation		Warren	\$1,000,000	Funded with a state grant							60	
Pinetops, Town of	2024 WWTP Rehabilitation	NC002 0435	Edgecombe	\$6,280,240	Co-funded with a state grant				\$2,000,000		\$3,194,437	58	Aug. 2025
White Lake, Town of	Phase 3 Sewer Improvements	NC002 3353	Bladen	\$4,428,322	Bypassed - ineligible for minimum PF requested							57	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Gates County	Cooper School Wastewater Improvements	WQ0000267	Gates	\$2,816,052					\$2,000,000		\$816,052	56	Aug. 2025
Gates County	Buckland School Wastewater Improvements	WQ000267	Gates	\$1,305,333					\$326,333		\$979,000	56	Aug. 2025
Stantonsburg, Town of	Sewer Collection System Phase II Rehabil	NC0057606	Wilson	\$2,126,642	Previously partially funded. Now fully funded.	\$554,150		\$184,717				56	Aug. 2025
Kingstown, Town of	Lift Station, Gravity Sewer, and Force M		Cleveland	\$2,486,370	Bypassed - insufficient PF available to meet minimum requested amount.							56	
Durham County	Triangle WWTP Rehab and Improvements	NC0026051	Durham	\$30,365,940		\$0		\$30,365,940				55	Aug. 2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Sharpsburg, Town of	2024CWSRF Wastewater System Improvements		Nash	\$3,215,000	Last funded CWSRF project.				\$2,000,000		\$1,215,000	54	Aug. 2025
Louisburg, Town of	Sanitary Sewer Rehabilitation		Franklin	\$3,038,300								52	
Magnolia, Town of	2024 Sewer Rehabilitation/Replacement	NC002 0346	Duplin	\$1,968,050								51	
Murfreesboro, Town of	Townwide Lift Station Improvements	WQ00 06785	Hertford	\$3,800,500								51	
Magnolia, Town of	Newberry Sewer Pump Station Replacement	NC002 0346	Duplin	\$1,075,310								49	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Fayetteville Public Works Commission	Rockfish Creek WRF Expansion Phase 3	NC005 0105	Cumberland	\$149,263,250								49	
Nashville, Town of	Nashville-Sewer Rehab-Phase 1-Regency		Nash	\$584,574								48	
Conover, City of	L'echo Park Outfall Sewer Replacement		Catawba	\$4,720,700								48	
Ansonville, Town of	Sewer System Improvements	NC008 1825	Anson	\$3,820,895								47	
Snow Hill, Town of	WWTP Bar Screen Replacement	NC002 0842	Greene	\$2,384,200								47	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Franklinville, Town of	Ogle's Creek Pump Station and Force Main	NC0007820	Randolph	\$2,000,000								47	
Spindale, Town of	WASTEWATER TREATMENT IMPROVEMENTS PROJEC	NC0020664	Rutherford	\$7,209,740								46	
Hookerton, Town of	Sewer Collection Rehabilitation & Relini	NC0025712	Greene	\$988,630								46	
Maysville, Town of	Wastewater Collection System Upgrades	NC0021482	Jones	\$949,000								46	
Haw River, Town of	Haw River I/I Reduction Project		Alamance	\$3,250,000								46	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Louisburg, Town of	Green Hill Pump Station Upgrade		Franklin	\$3,533,200								46	
Johnston County	CJCRWWTF Improvements	NC0030716	Johnston	\$14,060,000								45	
Hookerton, Town of	Hookerton-Sewer Rehab	NC0025712	Greene	\$2,513,949								45	
Junaluska Sanitary District	Hwy 209 Pump Station Rehabilitation		Haywood	\$488,650								45	
Clayton, Town of	Clayton Sams Branch WRF Improvements		Johnston	\$246,330,000								45	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Spindale, Town of	WASTEWATER COLLECTION SYSTEM IMPROVEMENT		Rutherford	\$5,334,380								44	
Conway, Town of	F23-Conway-Spray Field Rehabilitation		Northampton	\$817,487								44	
Fairmont, Town of	Regional WWTP Improvements	NC0086550	Robeson	\$10,140,000								42	
Yadkin Valley Sewer Authority	2024 WWTP Improvements	NC0020567	Surry	\$1,344,000								42	
Princeton, Town of	Sewer I&I Remediation	NC0026662	Johnston	\$1,031,820								41	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Sharpsburg, Town of	Fall 2023 CWSRF Pump Station & WWCS Imp.		Edgecombe, Nash, Wilson	\$555,000								41	
Cumberland County	Landfill Leachate PFAS Treatment		Cumberland	\$16,035,799								40	
Albemarle, City of	US52 WTP Sludge Dewatering System		Stanly	\$6,246,000								40	
Weldon, Town of	Weldon Wastewater Funding Application	NC0025721	Halifax	\$1,376,020								38	
Vanceboro, Town of	Wastewater Collection System Improvement		Craven	\$7,378,725								38	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Gamewell, Town of	Kincaid Hill Road Sewer Project		Caldwell	\$810,300								38	
Havelock, City of	Sanitary Sewer Collection System Impvts.		Craven	\$2,447,950								38	
Clay County	Sewer Plant Improvements	NC002 6697	Clay	\$707,209								38	
Waynesville, Town of	Wastewater Infrastructure Project	NC002 5321	Haywood	\$6,887,300								37	
Bay River Metropolitan Sewage District	Bayboro WWTF Improvement		Pamlico	\$1,714,450								36	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Elizabeth City, City of	Main Street Basin Rehabilitation, Ph. I	NC0470010	Pasquotank, Camden	\$3,000,000								36	
Norwood, Town of	Norwood Sewer Replacement & Rehab.	NC0021628	Stanly	\$4,534,210								35	
Fuquay-Varina, Town of	FV Middle Creek WWTP Decommission		Wake	\$15,125,000								34	
Mebane, City of	Water Resource Recovery Facility Expansion	NC0021474	Alamance	\$45,892,900								33	
Randleman, City of	WWTP Lab Bldg. Replacement & Blower Bldg	NC0025445	Randolph	\$2,170,500								32	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Goldsboro, City of	Arrington Bridge Road WRF Improvements	NC002 3949	Wayne	\$150,000,000								32	
Sanford, City of	Sanford Stream Restoration Project	NC002 4147	Lee	\$4,000,000								31	
Fayetteville Public Works Commission	Big Rockfish Creek Sanitary Sewer	NC005 0105	Cumberland	\$6,031,750								30	
Maysville, Town of	WWTP Upgrades Phase 2	NC002 1482	Jones	\$331,030								29	
Johnston County	Selma EQ & Pumping Facility Upgrade	NC003 0716	Johnston	\$28,500,000								28	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Johnston County	210 WWTF 4-8 MGD Expansion	NC003 0716	Johnston	\$35,000,000								28	
Holly Springs, Town of	Utle Creek WRF 6-8 MGD Expansion	NC006 3096	Wake	\$189,977,200								27	
Snow Hill, Town of	WastewaterPump Stations Restore & Replace	NC002 0842	Greene	\$1,683,000								27	
Newton, City of	Clark Creek WWTP Improvements	NC003 6196	Catawba	\$20,250,000								26	
Roanoke Rapids Sanitary District	Belmont Pump Station Improvement Project	NC002 4201	Halifax	\$3,405,937								24	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Johnston County	WW Collection SCADA & Security Improv.	NC0030716	Johnston	\$2,497,000								20	
Surry County	Fisher River Sewer Extensions		Surry	\$2,822,500								7	
					Total:	\$2,354,953	\$0	\$70,953,066	\$10,745,635	\$0	\$15,976,592		

Total funding requested: \$1,363,117,011 including reconsidered applications. Total awarded: \$100,030,246.

Fall 2023 Application Round – Funded Projects shown in Base CWSRF and BIL CWSRF General Supplemental columns

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Eureka, Town of	Wastewater Collection System Improvement		Wayne	\$14,999,900	Co-funded with state grant. Consolidates a non-viable utility.	\$3,000,000		\$8,999,900				83	2/1/2025
Hertford, Town of	Hertford Wastewater Treatment Plan Rehab	NC002 1849	Perquimans	\$4,840,760					\$1,500,000		\$3,340,760	73	2/1/2025
Cape Fear Public Utility Authority	Southside WWTP Replacement and Capacity	NC002 3973	New Hanover	\$242,056,884	Max CWSRF loan amount is \$35 M. Previously partially funded.			\$35,000,000				67	2/1/2025
Laurinburg, City of	Bridge Creek & College Park Sewer Rehab	NC002 0656	Scotland	\$8,951,000	Bypassed; previously funded as CS370924-02. Did not qualify for additional PF.							64	
Washington, City of	Cherry Run PS & 5th St FM Replacement		Beaufort	\$3,694,925				\$3,694,925				64	2/1/2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Warrenton, Town of	Wastewater Treatment Plant Improvements	NC0020834		\$1,755,000	Bypassed: insufficient PF/Grant to meet minimum PF/grant requested							64	
Enfield, Town of	Phase 7 Sewer System Improvements		Halifax	\$4,900,000	Bypassed: not eligible for minimum PF/grant requested							61	
Warrenton, Town of	Sanitary Sewer Rehabilitation		Warren	\$1,576,040	Bypassed: insufficient PF/Grant to meet minimum PF/grant requested							60	
Rhodhiss, Town of	2023 High Priority Collection System Imp		Burke, Caldwell	\$851,000					\$638,250		\$212,750	59	2/1/2025
White Lake, Town of	Phase 3 Sewer Improvements	NC0023353	Bladen	\$4,428,322	Bypassed: not eligible for minimum PF/grant requested							57	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Kingstown, Town of	Lift Station, Gravity Sewer, and Force M		Cleveland	\$2,486,370	Bypassed: insufficient PF/Grant to meet minimum PF/grant requested							56	
Hobgood, Town of	F23-Hobgood-Multiple Lift Station Rehab	n/a	Halifax	\$1,420,824					\$1,420,824		\$0	54	2/1/2025
Whiteville, City of	Phase 3 Sewer Improvements	NC002 1920	Columbus	\$6,800,000					\$1,500,000		\$5,300,000	54	2/1/2025
Bay River Metropolitan Sewage District	Oriental WWTF Improvement		Pamlico	\$2,975,750					\$1,487,875		\$1,487,875	52	2/1/2025
Ahoskie, Town of	Wastewater System Rehabilitation		Hertford	\$4,157,400					\$1,500,000		\$2,657,400	52	2/1/2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Walstonburg, Town of	Pumping Station & Sewer Line Improvement	440030	Greene	\$791,000					\$791,000		\$0	51	2/1/2025
Gates County	0.015 MGD Wastewater Treatment Plant Restoration Gates Co. Wastewater System	WQ0000267	Gates	\$2,217,816					\$1,500,000		\$717,816	50	2/1/2025
Ayden, Town of	2023 Swift Creek Sanitary Sewer	N/A	Pitt	\$500,000					\$500,000		\$0	50	2/1/2025
Wayne County	Genoa Sewer Rehabilitation - Phase I		Wayne	\$2,877,000		\$0		\$2,877,000				50	2/1/2025
Louisburg, Town of	WRF Nos. 1 and 3 Rotor Replacements	NC0020231	Franklin	\$630,000					\$315,000		\$315,000	50	2/1/2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Johnston County	Four Oaks, Holt Lake, & Neuse River WWPS	NC0030716	Johnston	\$8,960,000	Last funded CWSRF project except for a Green Project Reserve loan. Receives remaining available loan funds.				\$0		\$8,960,000	50	2/1/2025
Magnolia, Town of	Newberry SS Pump Station Replacement		Duplin	\$1,075,310								49	
Magnolia, Town of	2023 Sewer Rehabilitation/Replacement Proj		Duplin	\$1,968,050								49	
Nashville, Town of	Nashville-Sewer Rehab-Phase 1-Regency	N/A	Nash	\$584,574								48	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Kinston, City of	Herritage Street Sewer Replacement	NC0024236	Lenoir	\$2,173,985								48	
Ansonville, Town of	Sewer System Improvements	NC0081825	Anson	\$3,820,895								47	
Snow Hill, Town of	WWTP Bar Screen Replacement	NC0020842	Greene	\$2,384,200								47	
Franklinville, Town of	Ogle's Creek Pump Station and Force Main	NC0007820	Randolph	\$2,000,000								47	
Haw River, Town of	Haw River I/I Reduction Project		Alamance	\$3,250,000								46	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Maysville, Town of	Wastewater Collection System Upgrades	NC0021482	Jones	\$949,000								46	
Stantonsburg, Town of	Sewer Collection System Phase II Rehab.	NC0057606	Wilson	\$2,126,642								46	
Johnston County	CJRWWTf Improvements	NC0030716	Johnston	\$14,060,000								45	
Hookerton, Town of	Hookerton-Sewer Rehab	NC0025712	Greene	\$2,513,949								45	
Conway, Town of	F23-Conway-Spray Field Rehabilitation	N/A	Northampton	\$817,487								44	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Ansonville, Town of	Wastewater Treatment Plant Improvements	NC0081825	Anson	\$1,370,000								43	
Eden, City of	Eden North Aeration Basin Renovations		Rockingham	\$6,767,020								43	
Fairmont, Town of	Regional WWTP Improvements	NC0086550	Robeson	\$10,140,000								42	
Princeton, Town of	Sewer I&I Remediation	NC0026662	Johnston	\$1,031,820								41	
Sharpsburg, Town of	Fall 2023 CWSRF Pump Station & WWCS Imp.		Edgecombe, Nash, Wilson	\$555,000								41	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Cumberland County	Landfill Leachate PFAS Treatment		Cumberland	\$16,035,799	Funded with BIL CWSRF-EC							40	
Albemarle, City of	US52 WTP Sludge Dewatering System		Stanly	\$6,246,000								40	
Contentnea Metropolitan Sewage District	24-Inch Force Main Replacement	NC0032077	Pitt	\$4,062,595								40	
Fayetteville Public Works Commission	BRCO Lift Station Elimination	NC0050105	Cumberland	\$9,588,700	Funded to meet Green Project Reserve (energy efficiency project). Adds funds to existing project CS370434-15.		\$2,000,000			\$7,588,700		40	2/1/2025

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Burlington, City of	Dry Creek Lift Station Improvements		Alamance	\$3,531,000	Qualifies for Green Project Reserve							39	
Durham County	Triangle WWTP Rehabilitation and Improvements	NC002 6051	Durham	\$30,365,940								39	
Stantonsburg, Town of	Stantonsburg WWTP Process Improvements	NC005 7606	Wilson	\$637,500								38	
Waynesville, Town of	Wastewater Infrastructure Project	NC002 5321	Haywood	\$6,887,300								37	
Hendersonville, City of	WWTF Biosolids Thermal Dryer		Henderson	\$14,423,840								37	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Bay River Metropolitan Sewage District	Bayboro WWTF Improvement		Pamlico	\$1,714,450								36	
Elizabeth City, City of	Main Street Basin Rehabilitation, Ph. I	NC0470010	Pasquotank, Camden	\$3,000,000								36	
Fayetteville Public Works Commission	Rockfish Creek WRF Expansion Phase 3	NC0050105	Cumberland	\$149,263,250								36	
Norwood, Town of	Norwood Sewer Replacement & Rehab.	NC0021628	Stanly	\$4,534,210								35	
Boonville, Town of	Wastewater Collection System Upgrades Phase 2	NC0020931	Yadkin	\$1,467,000								34	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Mebane, City of	Water Resource Recovery Facility Expansi	NC0021474	Alamance	\$45,892,900								33	
Randleman, City of	WWTP Laboratory Building Replacement & Blower Building Repairs	NC0025445	Randolph	\$1,635,000								32	
Severn, Town of	Severn-Stormwater Drainage Improvements	N/A	Northampton	\$1,403,575	Qualifies for Green Project Reserve							32	
Sanford, City of	Sanford Stream Restoration Project	NC0024147	Lee	\$4,000,000	Qualifies for Green Project Reserve							31	
Murfreesboro, Town of	Townwide Lift Station Improvements 2023	WQ0006785	Hertford	\$3,320,000								31	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Johnston County	Four Oaks to Benson Force Main Repair & Replacement	nc0030716/ nc0020389	Johnston	\$1,345,000								30	
Fayetteville Public Works Commission	Big Rockfish Creek Sanitary Sewer	NC0050105	Cumberland	\$6,031,750								30	
Boonville, Town of	WWTP Upgrades Phase 2	NC0020931	Yadkin	\$2,200,000								29	
Roanoke Rapids Sanitary District	Belmont Pump Station Improvement Project	NC0024201	Halifax	\$2,859,165								29	
Maysville, Town of	WWTP Upgrades Phase 2	NC0021482	Jones	\$331,030								29	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Johnston County	Selma EQ & Pumping Facility Upgrade	NC0030716	Johnston	\$28,500,000								28	
Johnston County	210 WWTF 4-8 MGD Expansion	NC0030716	Johnston	\$35,000,000								28	
Clay County	Sewer Plant Improvements	NC0026697	Clay	\$707,209								28	
Holly Springs, Town of	Utley Creek WRF 6-8 MGD Expansion	NC0063096	Wake	\$189,977,200								27	
Snow Hill, Town of	WastewaterPump Stations Restore & Replace	NC-0020842	Greene	\$1,683,000								27	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Dobson, Town of	Ridge Road Pump Station & Force Main Replacement	NC0021326	Surry	\$1,545,200								26	
Oakboro, Town of	McCoy's Outfall Replacement Project		Stanly	\$2,793,793								26	
Newton, City of	Clark Creek WWTP Improvements	NC0036196	Catawba	\$20,250,000								26	
Junaluska Sanitary District	Hwy 2090 Pump Station Rehabilitation		Haywood	\$488,650								25	
Lumberton, City of	PFAS Wastewater Treatment Plant		Robeson	\$500,000	Funded with BIL CWSRF-EC							24	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Piedmont Triad Regional Water Authority	PFAS Study RO Wastewater Stream		Randolph	\$500,000								22	
Surf City, Town of	Softening Waste Treatment and Discharge		Pender	\$2,531,400								20	
Johnston County	WW Collection SCADA & Security Improv.	NC0030716	Johnston	\$2,497,000								20	
					Total:	\$3,000,000	\$2,000,000	\$50,571,825	\$11,152,949	\$7,588,700	\$22,991,601		

Total funding requested: \$987,207,379 including reconsidered applications. Total awarded: \$97,305,075.

Spring 2023 Application Round – Funded Projects shown in Base CWSRF; BIL CWSRF General Supplemental columns

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Beech Mountain, Town of	2023 Sewer Main Improvements Project	NC0069761	Watauga	\$2,961,490		\$0		\$2,961,490				65	8/1/2024
Drexel, Town of	Drexel Wastewater System Improvements	N/A	Burke	\$7,782,200	Bypassed - not eligible for minimum PF/grant requested							65	
Princeton, Town of	Holts Pond Road Sewer Extension	NC0026662	Johnston	\$224,000		\$168,000		\$56,000				64	8/1/2024
Nashville, Town of	Regency Estates Sewer Improvements	N/A	Nash	\$984,046	Funded by other sources	x	x	x	x	x	x	64	
Farmville, Town of	Farmville Reclaimed Water Line	NC0029572	Pitt	\$3,023,000	Would also be eligible for GPR	\$1,511,500		\$1,511,500				64	8/1/2024

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Warrenton, Town of	WWTP - Oxidation Ditch No. 1 Cleanout/Oxidation Ditch No. 2 Rotor Replacements	NC0020834	Warren	\$750,000	Funded by other sources	x	x	x	x	x	x	63	
Enfield, Town of	Phase 6 Sewer System Improvements Project	442025	Halifax	\$7,351,010	Co-funded with non-CWSRF funds	\$4,880,956		\$0				61	8/1/2024
Rhodhiss, Town of	2022 Pump Station Improvements & Force Main Replacement	0	Multiple Counties	\$1,079,300	Bypassed - not eligible for minimum PF/grant requested							61	
Edgecombe County	Lone Pine MHP Wastewater System Improvements		Edgecombe	\$2,724,100	Co-funded with non-CWSRF funds	\$500,000		\$862,050				60	8/1/2024

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Dunn, City of	Dunn Juniper Creek Area Stormwater System Improvements		Harnett	\$2,805,150	Would also be eligible for GPR	\$500,000		\$2,305,150				60	8/1/2024
Cape Fear Public Utility Authority	Southside Wastewater Treatment Plant Replacement	NC0023973	New Hanover	\$242,056,884		\$0		\$35,000,000				60	8/1/2024
Cape Fear Public Utility Authority	Oakley Area Septic to Sewer Project	NC-0023965	New Hanover	\$10,121,411	Bypassed - not eligible for minimum PF/grant requested							59	
Cape Fear Public Utility Authority	Alandale Septic to Sewer Project	NC-0023965	New Hanover	\$1,180,362	Bypassed - not eligible for minimum PF/grant requested							59	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Sharpsburg, Town of	2023 CWSRF Wastewater System Improvements Pump Station & WWCS Improvements		Edgecombe, Nash, Wilson	\$1,100,000	Funded by other sources	x	x	x	x	x	x	59	
Rhodhiss, Town of	2022 High Priority Collection System Project	0	Multiple Counties	\$724,000	Bypassed - not eligible for minimum PF/grant requested							58	
Spring Hope, Town of	2023 WWTP Improvements	NC002 0061	Nash	\$1,194,800		\$500,000		\$694,800				56	8/1/2024
Sharpsburg, Town of	2022 Wastewater CS Rehabilitation Project	0	Multiple Counties	\$5,563,200	Bypassed - insufficient PF available to meet minimum PF requested							56	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Lansing, Town of	Wastewater Treatment Plant Replacement	NC006 6028	Ashe	\$3,226,100	Bypassed - insufficient PF available to meet minimum PF requested							55	
Ayden, Town of	Pump Station No. 1 Sanitary Sewer Improvements	None - Town is 1 of 3 communities that are part of Contra Metropolitan Sewerage District)	Pitt	\$1,246,000	Bypassed - insufficient PF available to meet minimum PF requested							55	
Whiteville, City of	Phase 3 Sewer Improvements	NC002 1920	Columbus	\$8,849,795	Bypassed - not eligible for minimum PF/grant requested							55	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Halifax, Town of	Phase 1 Sewer Improvements		Halifax	\$1,352,042		\$500,000		\$852,042				55	8/1/2024
Goldsboro, City of	Phase III Sewer Rehabilitation	N/A	Wayne	\$8,522,650	Bypassed - not eligible for minimum PF/grant requested							54	
Chimney Rock, Town of	Chimney Rock Village Sewer System Improvements	WQCS D0694	Rutherford	\$4,264,440	Bypassed - not eligible for minimum PF/grant requested							54	
Waynesville, Town of	Waynesville WWTP Supplemental Funding	NC002 5321	Haywood	\$29,140,200	Seeking to add \$4,877,100 to an existing CWSRF loan	\$0		\$4,877,100				54	8/1/2024
Roseboro, Town of	2022 Wastewater Treatment Plant Improvements	NC002 6816	Sampson	\$1,819,000		\$0		\$1,819,000				54	8/1/2024

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Nashville, Town of	Essex Road Sewer Extension Improvements Project	N/A	Nash	\$595,830		\$500,000		\$95,830				54	8/1/2024
Lake Lure, Town of	Subaqueous Sanitary Sewer Replacement Phase 3	NC002 5381	Rutherford	\$7,000,000		\$0		\$7,000,000				53	8/1/2024
Plymouth, Town of	2023 Town of Plymouth Wastewater Improvements Project		Washington	\$9,012,820		\$500,000		\$8,512,820				53	8/1/2024
Rich Square, Town of	2022 ARPA Sewer Improvements	NC002 537	Northampton	\$4,035,325	Bypassed - not eligible for minimum PF/grant requested							53	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Burnsville, Town of	Burnsville WWTP Rehabilitation Project	0	Yancey	\$2,800,000		\$500,000		\$2,300,000				53	8/1/2024
Beaufort, Town of	Wastewater Pump Stations Replacement	WQCS 00102	Carteret	\$6,186,000		\$0		\$6,186,000				53	8/1/2024
Warrenton, Town of	Wastewater Treatment Plant Improvements	NC002 0834	Warren	\$5,744,670	Bypassed - insufficient PF available to meet minimum PF requested							53	
Lowell, City of	City of Lowell Wastewater Interconnection with Two Rivers Utilities	NC000 25861	Gaston	\$7,905,060		\$500,000		\$7,405,060				53	8/1/2024

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Taylorsville, Town of	2022 Wastewater Treatment Plant Improvements	NC002 6271	Alexander	\$2,336,000		\$500,000		\$1,836,000				52	8/1/2024
Clarkton, Town of	Clarkton Sewer System Rehabilitation	0	Bladen	\$5,385,000		\$500,000		\$4,885,000				52	8/1/2024
Spindale, Town of	Wastewater Collection System Improvements	NC002 0664	Rutherford	\$5,390,260		\$500,000		\$4,890,260				52	8/1/2024
Hillsborough, Town of	Lawndale Collection System Rehab	NC002 6433	Orange	\$1,116,730	Last funded CWSRF project. Bypassed rest in order to fund Green Project Reserve projects.	\$500,000		\$616,730				52	8/1/2024

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Cumberland County	Landfill Leachate Treatment and PFAS Removal	0	Cumberland	\$15,303,886	May be eligible for BIL CWSRF Emerging Contaminants funding							52	
Scotland County	Wagram WWTP Upgrades	NC0005762	Scotland	\$15,000,000								51	
Walstonburg, Town of	Pumping Station and Sewer Line Improvements		Greene	\$726,000								51	
Eureka, Town of	Wastewater Collection System Improvements	0	Wayne	\$14,999,900								51	
Magnolia, Town of	2022 Sanitary Sewer Improvements	NC0020346	Duplin	\$1,924,950								51	

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Magnolia, Town of	Newberry Sewer Pump Station Replacement	NC 0020346	Duplin	\$1,027,850								51	
Sparta, Town of	Sparta Wastewater Treatment Plant Upgrades	NC0026913	Alleghany	\$10,600,000								51	
White Lake, Town of	Phase 3 Sewer Improvements	NC0023353	Bladen	\$3,793,189								51	
Hendersonville, City of	Barker Heights Sanitary Sewer	NCS000489	Henderson	\$17,605,200								50	
Warrenton, Town of	Sanitary Sewer Rehabilitation	0	Warren	\$4,096,663								50	
Ahoskie, Town of	Wastewater System Rehabilitation		Hertford	\$4,157,400								50	
Ayden, Town of	East 3rd Street Area Sanitary Sewer Imp	None (sewer pumped to CMSD)	Pitt	\$3,981,000								49	

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Ayden, Town of	NC 11 Sewer Pump Station Improvements	None (pumps sewer to CMSD)	Pitt	\$1,305,750								49	
Beaufort, Town of	Wastewater Collection System Rehabilitation	WQCS 00102	Carteret	\$3,328,825								49	
Newton, City of	Clark Creek Wastewater Treatment Plant Improvements	NC003 6196	Catawba	\$20,250,000								49	
Gates County	0.015 MGD Wastewater Treatment Plant Restoration Gates Co. Wastewater System	WQ00 00267	Gates	\$2,217,816								48	

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Taylorsville, Town of	2022 Collection System Rehabilitation Project	0	Alexander	\$3,789,300								48	
Lumberton, City of	2022 Wastewater System Improvements	0	Robeson	\$4,181,158								48	
Carolina Beach, Town of	New Headworks for WWTP	NC0023256	New Hanover	\$4,520,000								48	
Lucama, Town of	2019 Sanitary Sewer Repl & Pump Sta Rehab	None (sewer pumped to Wilson)	Wilson	\$6,634,000								48	
Louisburg, Town of	WRF Nos. 1 and 3 Rotor Replacements	NC0020231	Franklin	\$500,000								48	
Murphy, Town of	Murphy Downtown Sewer System Improvements	N/A	Cherokee	\$2,356,738								48	

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Taylorsville, Town of	2022 Surface Water Protection Collection System Rehabilitation	0	Alexander	\$1,515,600								47	
Washington, City of	Cherry Run Pump Station & 5th Street Force Main Replacement		Beaufort	\$3,324,250								47	
Rose Hill, Town of	Rose Hill Sewer Rehabilitation	NC0431025	Duplin	\$8,614,045								47	
Lillington, Town of	2022 Town of Lillington Comprehensive Sewer Rehabilitation Construction Project	0	Harnett	\$2,618,994								47	

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Bridgeton, Town of	Wastewater System Rehabilitation	NC0074837	Craven	\$3,415,000								46	
Halifax, Town of	Phase 1 Sewer System Improvements	0	Halifax	\$1,801,430								46	
Nashville, Town of	Sewer Rehabilitation Improvements	N/A	Nash	\$6,541,825								46	
Ayden, Town of	Juanita Street Area Sanitary Sewer Imp	None (pumps sewer to CMSD)	Pitt	\$1,971,000								46	
Woodland, Town of	WWTP Lagoon Dewatering and Septage Receiving Station	NA	Northampton	\$3,556,500								46	
Johnston County	JC 4 MGW WWTF Expansion CS370560-18	nc0030716	Johnston	\$130,131,600								46	

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Edenton, Town of	2022 WWTP Sprayfield Expansion	0	Chowan	\$6,600,000								45	
Eden, City of	Kings Highway	297010	Rockingham	\$8,000,000								45	
Hillsborough, Town of	River PS and Eno River Interceptor Expansion	NC0026433	Orange	\$13,665,221								45	
Greenville Utilities Commission	Sanitary Sewer Rehabilitation Phase V	0	Pitt	\$5,551,045								44	
Princeton, Town of	Sewer I&I Remediation	NC0026662	Johnston	\$2,082,820								44	
Norwood, Town of	Norwood Sewer Replacement & Rehabilitation	NC0021628	Stanly	\$4,534,210								44	
Pink Hill, Town of	Pink Hill Sewer Rehabilitation	1/0/1900	Lenoir	\$3,387,980								44	

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Haw River, Town of	Haw River Inflow and Infiltration Project	0	Alamance	\$4,500,000								44	
Marion, City of	Marion Sewer 2022 CIP Rehab and Replacement Projects	WQCS 000075	McDowell	\$3,695,500								44	
Franklinville, Town of	Ogle's Creek Pump Station and Force Main Replacement	02-76-035	Randolph	\$1,560,000								44	
Johnston County	CJCRWWTF Improvements	NC0030716	Johnston	\$14,060,000								43	
Ansonville, Town of	Wastewater Treatment Plant Improvements	NC0081825	Anson	\$1,370,000								43	

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Snow Hill, Town of	Wastewater Pump Stations Restoration & Replacement		Greene	\$1,613,500								43	
Snow Hill, Town of	Wastewater Treatment Plant Baar Screen Replacement		Greene	\$2,229,500								43	
Yanceyville, Town of	Waste Water Treatment Plant Rehabilitation	0	Caswell	\$2,170,000								43	
Graham, City of	Haw River Outfall Rehabilitation	0	Alamance	\$2,500,000								43	
Rutherfordton, Town of	Rutherfordton WWTP Improvements Project	NC0025909	Rutherford	\$1,267,600								42	

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Tuckaseigee Water and Sewer Authority	TWSA WWTP Phase II	NC0020214	Jackson	\$9,945,390								42	
Contentnea Metropolitan Sewage District	24-Inch Force Main Replacement	NC0032077	Pitt	\$4,062,595								42	
Warren County	Pleasant Hill Pump Station Replacement	0	Warren	\$924,880								42	
West Jefferson, Town of	West Jefferson Wastewater Treatment Plant Improvements	0	Ashe	\$1,713,000								42	
West Jefferson, Town of	Sewer Line Improvement Project	0	Ashe	\$3,578,440								42	
Anson County	Sanitary Sewer Collection Main Replacement	NC0190413	Anson	\$12,519,500								42	

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Hobgood, Town of	Hobgood - Multiple Lift Station Rehabilitation	N/A	Halifax	\$931,227								42	
Newton Grove, Town of	Newton Grove WWTP Upgrade	NC007 2877	Sampson	\$10,000,000								41	
Hookerton, Town of	Gravity Sewer Rehabilitation and Relining	NC002 5712	Greene	\$2,520,294								41	
Bay River Metropolitan Sewage District	Bayboro WWTF Improvements	0	Pamlico	\$1,584,548								41	
Ansonville, Town of	Sewer Collection System Improvements	NC008 1825	Anson	\$1,324,000								40	
Hendersonville, City of	WWTF Biosolids Thermal Dryer		Henderson	\$14,423,840								40	

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Hobgood, Town of	Hobgood-Stormwater Quality Improvements	N/A	Halifax	\$2,792,770	Eligible for Green Project Reserve		\$2,792,770					40	8/1/2024
Burlington, City of	Dry Creek Lift Station Improvements		Alamance	\$3,531,000	Eligible for Green Project Reserve							39	
Tryon, Town of	Tryon Sewer Collection System Improvements	01-75-010 / WQCS 00111	Polk	\$6,662,510								39	
Durham County	Triangle WWTP Rehabilitation and Improvements	NC002 6051	Durham	\$30,365,940								39	
Bay River Metropolitan Sewage District	Oriental WWTF Improvements	0	Pamlico	\$2,829,850								39	

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Conway, Town of	Spray Field and Sanitary Sewer Rehabilitation Project	0	Northampton	\$737,552								38	
Kinston, City of	Herritage Street Sewer Replacement Project	NC0024236	Lenoir	\$2,173,895								38	
Stantonsburg, Town of	Stantonsburg WWTP Process Improvements	NC0057606	Wilson	\$637,500								38	
Spruce Pine, Town of	Sewer Rehabilitation	NC0021423	Mitchell	\$803,620								36	
Stantonsburg, Town of	Sanitary Sewer Rehabilitation Phase II	NC0057606	Wilson	\$1,880,813								36	
Fayetteville Public Works Commission	Rockfish Creek WRF Expansion Phase 3	NC0050105	Cumberland	\$149,263,250								36	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Severn, Town of	Severn-Stormwater Drainage Improvements	N/A	Northampton	\$1,403,575	Eligible for Green Project Reserve							35	
Boonville, Town of	Wastewater Collection System Upgrades Phase 2	NC0020931	Yadkin	\$1,467,000								34	
Randleman, City of	WWTP Laboratory Building Replacement & Blower Building Repairs	NC0025445	Randolph	\$1,635,000								34	
Mount Airy, City of	Mount Airy 2022 Sewer Line Replacements	NC0021121	Surry	\$8,776,000								34	
Roxboro, City of	Marlowe Creek I & I - Phase II	0	Person	\$2,000,000								33	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Vanceboro, Town of	Town of Vanceboro Sewer Collection and Main Street Lift Station Rehabilitation Project	04-25-020	Craven	\$5,064,145								33	
Bay River Metropolitan Sewage District	Lee Landing Road Wastewater Facility	0	Pamlico	\$6,001,470								33	
Rosman, Town of	Wastewater Treatment Plant Improvements	NC002 1946	Transylvania	\$2,773,500								32	
Johnston County	Four Oaks to Benson Force Main Repair & Replacement	nc003 0716/ nc002 0389	Johnston	\$1,345,000								30	
Lawndale, Town of	Sewer Project 8	WQCS D0550	Cleveland	\$494,475								30	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Maysville, Town of	Maintenance Equipment Building	NC0021482	Jones	\$1,557,200								30	
Boonville, Town of	WWTP Upgrades Phase 2	NC0020931	Yadkin	\$2,200,000								29	
Greensboro, City of	Camp Burton Sewer Outfall	NA	Guilford	\$10,618,000								29	
Dobson, Town of	Ridge Road Pump Station & Force Main Replacement	NC0021326	Surry	\$1,545,200								29	
Johnston County	Four Oaks, Holt Lake & Neuse River WW Transmission Improvements	NC0030716	Johnston	\$13,321,500								28	
Mebane, City of	WRRF Outfall Rehabilitation	0	Multiple Counties	\$1,000,000								27	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Oakboro, Town of	McCoy's Outfall Replacement Project		Stanly	\$2,793,793								26	
Mount Gilead, Town of	Wastewater Treatment Plant Expansion	NC002 1105	Montgomery	\$30,135,000								26	
Burke County	Island Creek Pump Station Project	0	Burke	\$1,254,420								25	
Holly Springs, Town of	Utley Creek WRF 6-8 MGD Upgrade	NC006 3096	Wake	\$111,175,000								24	
Warren County	Eatons Ferry Sewer Extension	0	Warren	\$4,353,400								22	
Surf City, Town of	Softening Waste Treatment and Discharge		Pender	\$2,531,400								20	
Spruce Pine, Town of	Sewer Line Expansion	NC002 1423	Mitchell	\$5,405,500								18	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
Burke County	Indian Hills Pump Station Project	0	Burke	\$3,365,024								15	
Boonville, Town of	Maintenance Equipment Building	NC0020931	Yadkin	\$1,207,200								14	
Gamewell, Town of	Gamewell Heights	0	Caldwell	\$506,400								13	
Gamewell, Town of	Kincaid Hill Road Sewer Project	0	Caldwell	\$772,600								13	
Wilkesboro, Town of	Wastewater Collection System Rehabilitation	NC0021717	Wilkes	\$6,400,000								9	
Orange Water and Sewer Authority	Extend and Connect "At-Risk" Households to Public Sewer Service	NC 0025241	Orange	\$2,961,419								8	

Applicant Name	Project Name	NPDES Permit	County	Total Funding Request	Notes	Base CWSRF Principal Forgiveness	Base CWSRF Green Project Loans	Base CWSRF Loans	BIL Suppl. CWSRF Principal Forgiveness	BIL Suppl. CWSRF Green Project Loans	BIL Suppl. CWSRF Loans	Priority Points	Estimated Binding Commitment
					Total:	\$12,560,456	\$2,792,770	\$94,666,832	\$0	\$0	\$0		

Total funding requested: \$1,291,399,755 including reconsidered applications. Total awarded: \$110,020,058.

TOTALS

	Principal Forgiveness	Green Project Reserve	Loans (excl. PF)	Total Awarded	Minimum Requirement Principal Forgiveness
Base	\$17,915,409	\$4,792,770	\$216,191,723	\$238,899,902	\$2,946,600
BIL Suppl.	\$21,898,584	\$7,588,700	\$38,968,193	\$68,455,477	\$20,111,070
Total	\$39,813,993	\$12,381,470	\$255,159,916	\$307,355,379	\$23,057,670
Minimum requirement Green Project Reserve		\$5,577,600			

Appendix B

2024 CWSRF Proposed Payment Schedule

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

<u>Payment Quarter</u>	<u>2024 CW Payment Amount</u>	<u>2024 BIL CWSRF General Allotment Payment Amount</u>
April 1, 2024 – June 30, 2024		
July 1, 2024 - September 30, 2024		
October 1, 2024 - December 31, 2024	\$14,733,000	\$41,043,000
January 1, 2025 - March 31, 2025		
April 1, 2025 - June 30, 2025		
July 1, 2025 - September 30, 2025		
October 1, 2025 - December 31, 2025		
Total	\$14,733,000	\$41,043,000

Appendix C

PRIORITY RATING SYSTEM for Wastewater Projects

Finalized by the Authority in April 2024 after a public comment period was completed between
March 1 – April 1, 2024.

2024 PRIORITY RATING SYSTEM for Wastewater Projects				
<p>Instructions: 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 #	EC 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 project		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
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

2024 PRIORITY RATING SYSTEM for Wastewater Projects				
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
1.J		Project addresses PFAS emerging contaminants		
1.J.1	EC	Sole purpose of the project is to address Emerging contaminants (Construction projects). 100% of the costs are associated with this purpose OR		12
1.J.2	EC	At least 75% of the project is to address Emerging contaminants (Construction projects) OR		5
1.J.3	EC	Sole purpose of the project is to evaluate alternatives to address emerging contaminants (may include pilot scale treatment study)		5
Maximum points for Category 1 – Project Purpose				25
Subtotal claimed for Category 1 – Project Purpose				
Line Item #	EC 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		
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

2024 PRIORITY RATING SYSTEM for Wastewater Projects				
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	EC	Project includes system regionalization and/or system partnerships		5
2.G – 2.H.2		Reserved for other programs		
2.H.3	EC	Project addresses any PFAS compounds exceeding 10 ppt or State-established regulatory standards or limits OR		2
2.H.4	EC	Project addresses PFAS exceeding proposed or promulgated MCL or Hazard Index		5
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 within floodplain OR		4
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

2024 PRIORITY RATING SYSTEM for Wastewater Projects				
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 #	EC Line Item [†]	Category 3 – System Management	Claimed Yes/No	Points
3.A		Capital Planning Activities		
3.A.1	EC	Applicant has implemented an Asset Management Plan as of the date of application OR		10
3.A.2	EC	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10 years and proposed project is included in the plan		2
3.B	EC	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 #	EC Line Item [†]	Category 4 – Affordability	Claimed Yes/No	Points
4.A		Residential Connections		
4.A.1	EC	Less than 10,000 residential connections OR		2
4.A.2	EC	Less than 5,000 residential connections OR		4
4.A.3	EC	Less than 1,000 residential connections		8
4.B		Current Monthly Combined Utility Rates at 5,000 Usage		
4.B.1	EC	Greater than the 50 th percentile OR		4

2024 PRIORITY RATING SYSTEM for Wastewater Projects				
4.B.2	EC	Greater than the 70 th percentile OR		6
4.B.3	EC	Greater than the 85 th percentile OR		8
4.B.4	EC	Greater than the 95 th percentile		10
4.C		Local Government Unit (LGU) Indicators		
4.C.1	EC	3 out of 5 LGU indicators worse than state benchmark OR		3
4.C.2	EC	4 out of 5 LGU indicators worse than state benchmark OR		5
4.C.3	EC	5 out of 5 LGU indicators worse than state benchmark OR		7
4.C.4	EC	Project benefits disadvantaged areas		5
4.D – 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				

[†] Only line items marked with “EC” will be used in scoring eligible applications for CWSRF-EC funding. These applications will also be scored using the full PRS for all other wastewater funding sources.

[‡]Local government units under Local Government Commission’s fiscal control that have received an Emergency Operating Grant under NC GS 159G-34.5 in the current or prior fiscal year qualify for the maximum points for Category 4: Affordability.

Appendix D

Grant Percentage Matrix

Percentile Ranges for grant eligibility categories	Combined Monthly Bills² based on 2024 data (\$/5000 gallons)	% Grant or PF	Combined Monthly Bills + Project cost per customer per month³ based on 2024 data (\$/5000 gallons)	% Grant or PF
> 99 Percentile	> \$166	100%	> \$166	100%
95 - 99 Percentile	\$145 - \$166	100%	\$145 - \$166	75%
85 - 95 Percentile	\$126 - \$145	75%	\$126 - \$145	50%
70 - 85 Percentile	\$107 - \$126	50%	\$107 - \$126	25%
50 - 70 Percentile	\$89 - \$107	25%	\$89 - \$107	0%
0 - 50 Percentile	\$0 - \$89	0%	\$0 - \$89	0%

¹ Local government units under the fiscal control of the Local Government Commission on the day of the application deadline qualify for 100% grant or principal forgiveness.

² Single utility providers may divide by 0.4 for water or 0.6 for sewer applicant for calculating a combined monthly bill.

³ Project cost per customer per month calculated assuming 0% interest financing for 20 years.

Monthly bill data updated May 2024 using January 2024 statewide rates data compiled by the Environmental Finance Center at the University of North Carolina, Chapel Hill.