

	<p style="text-align: center;"><b>Division of Water Infrastructure</b></p> <p style="text-align: center;"><b>Tips: Preparing an Application</b></p> <p style="text-align: center;"><i>Last updated: February 2025</i></p>	<p style="text-align: center;"><b>Fall 2025</b></p>
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Application deadline is 5:00 p.m. on Tuesday, September 30, 2025. Applications may be submitted at: <https://edocs.deq.nc.gov/Forms/Fall2025FundingApplication> for DW/WW, CDBG-I, EC construction

Application cutoff dates are August 1, 2025, November 3, 2025, January 9, 2026, and March 2, 2026. Applications may be submitted at: <https://edocs.deq.nc.gov/Forms/RollingApplication> for SRF Helene funding, LSLR, EC studies, and CWSTR DWTS Pilot Program

## Know Before You Apply

### Before Preparing an Application

- For drinking water or wastewater construction projects, sit down with your LGU's decision-makers and determine what is realistic related to the potential to take on a loan.
- Get the project resolution onto your LGU board's agenda
- Make sure to tab all places in the application package where signatures are needed.

### Preparing the Common Application

- Pull down the most recent version of the application from the Division's website. Do not use old versions of the application. Read all instructions before completing the application.
- Make sure the application has at least the items shown in the dark red print on the presentation (as applicable). Without these items, applications will be incomplete.
- Where needed to claim points in the Priority Rating System, break out line items in budget.
- Be aware that if you drop a signature and/or PE Seal onto an application, when it's uploaded to the system, Laserfiche may strip it out. It is best to use DocuSign if at all possible.

### Preparing Other Forms

- Financial Information Form – Finance Officer or Authorized Representative must sign.
- Fund Transfer Certification form – Finance Officer or Authorized Representative must sign. Be sure to check only one of the boxes.
- Resolutions
  - Be sure to list the project and include the form for the Certification by the Recording Officer or attestation.
  - List at least the Title of the Authorized Representative, which must match the Authorized Representative in the Common Application
  - For attestations and resolutions, the Recording Officer's seal and signature must be affixed.





## Division of Water Infrastructure Tips: Completing a Narrative

*Last updated: July 2025*

**Fall 2025**

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Applications may be submitted at: <https://edocs.deq.nc.gov/Forms/RollingApplication> for SRF Helene funding, LSLR, EC studies, and CWSTR DWTS Pilot Program

### **Know Before You Complete a Narrative for Your Application's Applicable Priority Rating System**

#### **Before Preparing a Narrative**

- Read the guidance carefully and note that *Division staff will not request additional information.*
- Claim all the points you can document and *provide all documentation required.*
- Please provide supporting documentation in an organized manner with appropriate PDF page references (e.g., p. 5 of Appendix A) so that staff can easily locate needed information. *Please provide page references in the narrative.*
- Call us if you have questions.

#### **When Determining Project Purpose**

- All parts of the project must serve the claimed purpose.
- Projects with multiple project purposes will receive points for the lower-scoring project purpose.
- You must have project purpose points to be eligible for Principal Forgiveness or grants.

#### **When Determining Project Benefits**

- A portion of the project must provide the specified benefits.
- Projects can receive points from multiple line items.

#### **When Determining Points for System Management (if applicable)**

- For water/wastewater projects claiming Line Item 3.A related to asset management plans, please provide a summary as described in the guidance. Note: CDBG-I requires that the entire Asset Management Plan be included as part of supporting documentation.
- For Operating Ratio, please make sure that the Financial Information Form is completed and included in the application package. No Financial Information Form will mean no points awarded for this line item.

#### **When Determining Points for Affordability**

- For water/wastewater construction and planning projects, LSLR projects, EC study project, and SRF Helene DW/WW projects, make sure that you include your rate sheets in the application package. Otherwise, we will be unable to award points for Line Item 4.B in water/wastewater projects.
- Please include a copy of the LGU calculator or handwritten calculations as supporting documentation for your project narrative.





## Division of Water Infrastructure Funding Program Highlights

*Last updated: February 2025*

**Fall 2025**

### Principal Forgiveness Determination (DWSRF/CWSRF)

#### What is Principal Forgiveness?

Principal Forgiveness (PF) is a State Revolving Fund (SRF) loan either from the Clean Water State Revolving Fund (CWSRF) or the Drinking Water State Revolving Fund (DWSRF) that is forgivable (e.g., does not have to be repaid).

#### How much Principal Forgiveness is available?

The amount of PF varies from round to round and is dependent upon the federal funding of capitalization grants from the U.S. Environmental Protection Agency (USEPA). Due to the Infrastructure Investment and Jobs Act (IIJA), large amounts of PF funds are available. In this cycle (Fall 2025), approximately \$13 million of PF will be available for the CWSRF and \$18 million will be available for the DWSRF.

#### How do I know if I am eligible for Principal Forgiveness?

If you apply to our SRF programs, you may be eligible for PF via three routes:

1. If you successfully claim Line Item 1.A (consolidate nonviable system), then you would be eligible for up to \$3 million in PF regardless of eligibility as determined by the Affordability Calculator.
2. If you successfully claim Line Item 1.E (service to disadvantaged areas) or Line Item 4.C.4 (project benefits disadvantaged area), then you would be eligible for 50% PF, up to \$500,000, regardless of eligibility as determined by the Affordability Calculator.
3. If you complete [the Affordability Calculator](#) and find that you qualify for 25%, 50%, 75%, or 100% grant/PF, then you would be eligible for that amount.

Note: Eligibility for PF does not guarantee award of PF.

#### How do I apply for Principal Forgiveness?

Section 1 of the Division's Common Application has two questions you will answer related to PF which provide us guidance since we do not contact applicants after the application submittal deadline. The responses to these questions provide a guide for us as we make recommendations to the State Water Infrastructure Authority for their award. The questions are:

1. I am willing to accept a low-interest loan offer for the full funding amount requested above. ☐ Yes (stop here) or ☐ No (answer the next question).
2. I will only accept a funding offer if a minimum of \$XXXXX is offered as a grant or PF.

For Question #1, check Yes only if you are willing to accept a 100% SRF loan. **Note: If you are eligible for PF, checking Yes does not preclude you from receiving PF. We will award you PF up to your eligibility amount.**

For Question #2, consider carefully how much PF you need to make your project go forward. We encourage you to have a frank conversation with your managers and decision makers about how much PF is really needed to move your project forward.

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## How does the Division of Water Infrastructure determine Principal Forgiveness award recommendations?

We utilize the method dictated in our Intended Use Plans that we submit to the USEPA each year for the CWSRF and DWSRF. The flowchart below shows the process.

