

State Water Infrastructure Authority
Meeting Date: July 16, 2025
Agenda Item G
Spring 2025 Application Round, Example Funding Scenario and Funding Decisions
for Drinking Water and Wastewater Construction Projects
(Revised July 15, updated text is in red font)
(Revised July 17, 2025, updated text is in blue font)

Division of Water Infrastructure Staff Report

This report presents a **revised** preliminary funding scenario for the consideration of the State Water Infrastructure Authority (Authority). Subsequent updates and corrections to the application information and funding scenario (including application scores, ranking, potential funding amount, etc.) may occur and will be presented to the Authority during the July 16 meeting. Applications are selected for funding by the Authority during the meeting, and the Authority's selections are final.

Background

The Spring 2025 application round includes funds appropriated to the Water Infrastructure Funds established in G.S. 159G. This staff report presents information on the Spring 2025 application round for drinking water and wastewater applications for construction projects to be funded from the Drinking Water State Revolving Fund (DWSRF) and the Clean Water State Revolving Fund (CWSRF), including from the Infrastructure Investments and Jobs Act (IIJA), and from the IIJA DWSRF-Emerging Contaminants fund (DWSRF-EC) and IIJA CWSRF-Emerging Contaminants fund (CWSRF-EC). This information includes a summary of available funds and any limitation on awarding the funds; a summary of applications received; and the process staff used to apply funds in the funding scenario example presented to the Authority. Funding demand continues to exceed available funds.

Applications and funding available for the IIJA DWSRF Lead Service Line Replacement (DWSRF-LSLR) funds are summarized in Agenda Item E. Applications and funding available for the Emerging Contaminants Study Projects are summarized in Agenda Item F.

Summary of Applications Received

Spring 2025 applications were due April 30, 2025. A total of 71 new applications were submitted. An additional 63 unfunded or partially funded Fall 2024 applications were reconsidered as part of this round. A summary of the number of drinking water and wastewater applications considered for funding in this staff report is shown in Table 1.

Table 1. Number of Applications (including Reconsiderations)			
Category	Drinking Water	Wastewater	Total
Spring 2025 new applications	37	34	71
Fall 2024 applications reconsidered	43	20	63
Incomplete/Ineligible applications	1	0	1
Total Complete and Eligible Applications Considered	79	54	133

Total funding requested in complete and eligible applications	\$556 million	\$1.012 billion	\$1.57 billion
---	---------------	-----------------	----------------

Spring 2025 Funds Available

Table 2 shows a comparison of funding requested from complete and eligible applications (including Fall 2024 reconsiderations) and the amount of funding available.

Table 2. Comparison of Funding Requested from Complete and Eligible Applications (including Fall 2024 Reconsiderations) and Amount of Funding Available				
Application Type	No. of Applications	Total Requests	Approximate Funding Amount Available	
Drinking Water Projects	79 (incl. 31 Emerging Contaminants)	\$556 M	DWSRF Loan ¹ : \$60 M	IIJA DWSRF-EC: \$20.52M (100% PF)
Wastewater Projects	54	\$1.01 B	CWSRF Loan ¹ : \$90 M \$110M	IIJA CWSRF-EC: \$3.06 M (100% PF)
Total (covered in this staff report)	133	\$1.57 B	\$168.58 M \$188.58M \$193.58M	

¹ Including Principal Forgiveness (PF).

The following funds are available for award for the Spring 2025 Application Round:

- CWSRF and DWSRF funding is available to local government units (LGUs) and nonprofit water corporations (and investor-owned drinking water corporations for the DWSRF) in the form of low-interest loans and principal forgiveness (PF). State Revolving Fund (SRF) amounts in this staff report include a portion of the IIJA General Supplemental funds for the CWSRF and DWSRF programs.

CWSRF loans are limited to \$35 million per applicant per round. DWSRF loans are limited to \$25 million per applicant per round. Each program has a \$200 million debt limit per applicant to the CWSRF and the DWSRF program. Applications for funding for already-awarded projects will only be considered for any additional funds needed for the project that were not previously awarded by the Authority.

The Authority may consider the additional information provided in the wastewater project applications for determining funding commitments for the CWSRF. Federal requirements also specify that at least ten percent of the annual CWSRF capitalization grant shall be used for eligible Green Projects. The reserve for Green Projects was met in the Fall 2024 funding round.

The DWSRF Intended Use Plan (IUP) specifies that at least 30 percent of the DWSRF loans shall be used for providing funding assistance to small water systems (serving <10,000 population).

- IIJA DWSRF-EC and IIJA CWSRF-EC funds are available to LGUs and nonprofit water corporations (and investor-owned drinking water corporations for the IIJA DWSRF-EC) in the form of PF.

IIJA DWSRF-EC PF loans from the FY 2024 capitalization grant are limited to \$5,000,000 for construction projects per applicant per year through July 2025. Note that starting in August 2025, the cap will be \$5,000,000 per applicant, including all previously-awarded IIJA DWSRF-EC funds for construction projects.

The IIJA DWSRF-EC funds include a 25 percent reserve for small systems (serving <25,000 population) and/or disadvantaged communities (in North Carolina, this includes applicants that qualify for PF under various criteria). The reserve will be met for the FY 2024 capitalization grant in the Spring 2025 funding round with the proposed funding scenario presented to the Authority in this agenda item.

The IIJA DWSRF-EC and IIJA CWSRF-EC funds include a reserve of 50 percent of the available funds from capitalization grants to support evaluation/assessment (i.e., planning, or “study”) projects if there is enough demand for planning projects over the course of multiple funding rounds. The reserves for study projects were not met during previous funding rounds. In the July 2025 meeting, after the Authority awards funding from the evaluation/assessment project reserves to EC Study projects under Agenda Item F, any remaining portion of the reserve will be made available for awards for construction projects in this agenda item. If the Authority votes to award EC Study projects as recommended in Agenda Item F, [\\$10,024,945](#) from the IIJA DWSRF-EC reserve will be made available for awards for DWSRF EC construction projects in this agenda item, and \$1,140,040 from the IJA CWSRF-EC reserve will be made available for awards for CWSRF EC construction projects in this agenda item. See the staff report for Agenda Item F for more details. These amounts are included in the funding amount available shown in Table 2 and are proposed to be awarded for applications as presented in this agenda item.

Additionally, funding is available for EC construction projects from the FY 2025 capitalization grant, excluding the portions reserved for EC Study projects and for set-asides, in the Spring 2025 funding round. Those amounts are included in the funding amount available shown in Table 2 and are proposed to be awarded for applications as presented in this agenda item. [\\$10 million of DWSRF EC construction funds from the FY 25 grant will be made available in this round.](#) The remainder of the FY 2025 capitalization grant will be awarded during the Fall 2025 funding round at the Authority’s February 2026 meeting.

Emerging Contaminants construction projects may be eligible for both regular SRF funds and the IIJA DWSRF-EC or IIJA CWSRF-EC funds. EC construction project applications are considered for both sources of funding, in accordance with the separate Priority Rating Systems (PRSs) approved by the Authority. Eligible applications for the same project appear in the funding spreadsheets under both the EC construction funding as well as the regular SRF funding.

- Grants from the State Reserve Program (SRP) for drinking water and wastewater projects are not available for the Spring 2025 application round. State Reserve Program grants for drinking

water and wastewater projects are limited to \$3,000,000 per eligible applicant every three years.

- Grants from the Viable Utility Reserve are provided for LGUs that have been designated as Distressed by the Authority and the Local Government Commission. For the Spring 2025 funding round, there are no VUR funds available to award.

The Department of Environmental Quality (DEQ) has been approved by EPA to administer an IIJA Emerging Contaminants for Small or Disadvantaged Communities (EC-SDC) program to address PFAS in drinking water. As part of the program, DEQ can fund a small number of projects that address PFAS in drinking water in small or disadvantaged communities through a federal EC-SDC grant. Eligible applications for IIJA DWSRF-EC funding that qualify and are not awarded SRF funding are considered by the DEQ for an EC-SDC grant.

Example Funding Scenario for SRF and EC Construction Projects

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

- Apply IIJA DWSRF-EC and IIJA CWSRF-EC funds to eligible projects using the Priority Rating Systems for Emerging Contaminants projects.
- Adjust recommendations to IIJA DWSRF-EC and IIJA CWSRF-EC funds to meet the 50 percent reserve of awarded funds to support EC Study projects if there is sufficient demand in project applications.
- Adjust recommendations to meet the IIJA DWSRF-EC 25 percent reserve for Small and Disadvantaged Communities Reserve. This reserve is met.
- Apply SRP grants to eligible construction projects up to \$3 million (not available this round).
- Apply DWSRF and CWSRF PF (up to initial cap of \$500,000) and SRF loan funds to eligible projects until awarded funds meet SRF loan funds available this round.
- Adjust recommendations to the DWSRF to meet the minimum 30 percent loan assistance to small water systems.
- Adjust recommendations to the CWSRF to meet the minimum ten percent capitalization grant Green Project Reserve loan assistance. Green Project Reserve requirements were met during the Fall 2024 funding round. No additional Green Projects need to be funded to meet the reserve.
- Apply any additional available PF in \$500,000 increments in priority order to eligible projects receiving SRF funds, up to the max grant/principal forgiveness eligibility. Additional \$500,000 increments can be added using the same methodology until the PF goal is met.
- For projects split-funded with SRP grant and SRF funds, replace SRP grant funds with maximum allowable SRF PF to fully fund the project. This allows for SRP grant funds to be available to lower-scoring projects, without impacting the higher-scoring project's grant-link funding or requirements as a split-funded project. This does not apply to SRP projects that can

be fully funded with SRP, as switching to SRF funds would result in additional federal conditions applying to the project (this is not applicable as there are no SRP funds available this round).

- Additional \$500,000 increments are added using the same methodology above until PF goal is met.

Multiple projects were not awarded funding because of limited funding and because there were insufficient grant or PF funds available to meet the minimum grant/PF amount the applicant indicated was needed for the project to move forward. Additionally, projects that were funded previously by the Authority are only considered for any *additional* funding required for the project beyond the amount already awarded by the Authority. See the notes on the spreadsheet.

In the example funding scenario presented, seven drinking water emerging contaminants construction projects would be awarded \$20,521,305 from IJA DWSRF-EC, including two that would be additionally awarded \$15,811,200 in DWSRF loans. Another 15 drinking water construction projects would be awarded \$37,117,447 in DWSRF loans and PF. One wastewater emerging contaminants construction project would be awarded \$2,850,822 from IJA CWSRF-EC. The preliminary funding scenario published on July 3, 2025 had nine wastewater construction projects to be awarded \$94,811,679 in CWSRF loans and PF.

Based on the requests received by applicants, staff re-reviewed a few applications and some corrections were made. Changes to the preliminary funding scenario published on July 3, 2025, are summarized below in red font text.

For the drinking water program, Alamance County's Water Service for PFAS Contaminated Well project (project #65) received an additional 10 points for their DWSRF application. This correction was indicated in Attachments G-3 and G-4. However, this change did not result in a change to the preliminary funding scenario. The application's score for the DWSRF-Emerging Contaminants funding remains at 27 points based on the EC-eligible priority rating system line items (in Attachments G-1 and G-2).

For the wastewater program, the City of Sanford's Dry Creek Basin Sewer Rehabilitation project (project #29) received an additional 18 points, raising their project application score to 57 as shown in Attachments G-7 and G-8. This moves the project application inside the funding scenario. Based on repayments of older CWSRF projects and an updated cash flow analysis, the Division determined that additional funds could be awarded to CWSRF projects beyond the initial preliminary funding scenario. As a result of the change to the City of Sanford's project score and the additional funding made available, the preliminary funding scenario was re-evaluated. The revised funding scenario includes funding two additional projects – a total of 11 projects – with \$111,341,579 in CWSRF loans and Principal Forgiveness. The revisions to the preliminary funding scenario spreads the limited principal forgiveness funds among more applicants, but also provides an increase to the total amount of principal forgiveness to be awarded in this round. The changes are reflected in Attachments G-7 and G-8.

Table 3 summarizes the example funding scenario.

Table 3. Example Funding Scenario for Spring 2025 Funding

Project Types	Applications considered	Potential applications in example funding scenario	Potential SRP / VUR grants	Potential SRF Principal Forgiveness	Potential SRF loans	Potential total funding
Drinking Water Construction Projects						
Funding with IIJA DWSRF-EC	31	7 8	\$0	\$15,521,305 \$20,521,305	N/A	\$15,521,305 \$20,521,305
Funding with DWSRF	79	17	\$0	\$18,874,797	\$34,053,850	\$52,928,647
All DW Projects	79	22 23	\$0	\$34,396,102 \$39,396,102	\$34,053,850	\$68,449,952 \$73,449,952
Wastewater Construction Projects						
Funding with IIJA CWSRF-EC	1	1	\$0	\$2,850,822	N/A	\$2,850,822
Funding with CWSRF	54	9 11	\$0	\$18,425,547 \$19,497,547	\$76,386,132 \$91,844,032	\$94,811,679 \$111,341,579
All WW Projects	54	1012	\$0	\$21,276,369 \$22,348,369	\$76,386,132 \$91,844,032	\$97,662,501 \$114,192,401
All Projects	133	32	\$0	\$55,672,471 \$56,744,471	\$110,439,982 \$125,897,882	\$166,112,453 \$182,642,353

Project-Specific Notes for Applications in the Example Funding Scenario

Drinking Water Emerging Contaminants Project Applications (Agenda Items G-1 and G-2)

- ~~Seven~~ Eight of the 31 applications for EC funds are recommended for funding for construction, potentially awarding all \$15,521,305 available in this funding round and \$5Million from the future funding round.
- Two of the EC-funded projects are recommended to receive additional DWSRF loan funds: Fayetteville Public Works Commission to receive (application #5) \$15,500,000 in DWSRF loans and Aqua North Carolina, Inc. (application #6) to receive \$311,200 in DWSRF loans to fully fund the remainder of one project.
- The last DWSRF-EC funded construction project scores 39 points under the Emerging Contaminants PRS.
- The 25 percent reserve for small and disadvantaged communities for the FY 2024 capitalization grant will be met with the potential funding scenario.
- City of Graham’s Graham-Mebane WTP Improvements project (application #9) is the last funded IIJA DWSRF-EC project, receiving \$3,441,466, which is the remainder of the IIJA DWSRF-EC funds available in this round. The construction project is a result of an EC

Evaluation/Assessment Project (study project) that was funded previously by the Authority (Project No. SRF-D-EC-0008).

- Aqua North Carolina, Inc. submitted two separate applications (applications #1 and #6) totaling \$5,311,200 in funding requests to address PFAS in different wells serving the Brookwood community. Both projects score within the funding range of the DW EC funding scenario as well as the DWSRF funding scenario. Aqua North Carolina, Inc. will receive \$5 million from the IJIA DWSRF-EC program in this round (the cap for EC construction projects) across the two projects and supplemented with \$311,200 from the DWSRF loan funds. Aqua North Carolina, Inc., was previously awarded \$5,795,400 in DWSRF loans and IJIA DWSRF-EC PF for another Brookwood community ion exchange filters project that are for different wells. The applicant is eligible for up to \$5 million in IJIA DWSRF-EC funds in this round.
- Carolina Water Service, Inc. will receive \$1,064,334 for two projects (applications #3 and #8) to address PFAS from drinking water wells in the Tanglewood and College Park areas, both of which scored within the funding range of the DW EC funding scenario.
- Fayetteville Public Works Commission's PO Hoffer/Glenville Lake WTP GAC Facilities project (application #5) will receive another \$5 million in IJIA DWSRF-EC PF and \$15,500,000 in DWSRF loans. This project has been awarded \$10 million in IJIA DWSRF-EC PF and \$50 million in DWSRF loans and principal forgiveness in previous funding rounds, while the total project cost exceeds \$113 million. Even with additional funds in this round, the project remains partially funded. The applicant is eligible for up to \$5 million in IJIA DWSRF-EC funds in this round.
- Martin County Regional Water and Sewer Authority's filter conversion to GAC project (application #4) is a result of an EC Evaluation/Assessment Project (study project) that was funded previously by the Authority (Project No. SRF-D-EC-007).
- Cumberland County's Gray's Creek Phase 2 project (application #2) ~~is~~ **was suggested to be** bypassed for funding; The project was fully funded in the Fall 2024 funding round with \$3,500,000 in PF and \$16,114,136 in DWSRF loans (awarded at the February 2025 Authority meeting). **This project was deemed ineligible for EC funds in Fall 2024 round as the application did not meet data submission requirements. County revised their application to include data submission that met the requirements in the PRS guidance and resubmitted for consideration for the spring 2025 round. Based upon discussion with the Authority at the July 16, 2025 meeting, Authority members unanimously made the decision to award \$5 million in DWSRF-EC funding to replace \$5 million of the previous award. Decision was based on the fact that the County would have received \$5 million EC funds in Fall 2024 round, had the application met the data submission requirements. The revised application the applicant submitted this round was rated second highest in the EC project list.**

- Roanoke Rapids Sanitary District's project (application #7) is bypassed for funding because it was awarded \$5 million in IIJA DWSRF-EC funds by the Authority in February 2025. IIJA DWSRF-EC awards are capped at \$5 million per applicant per year under the FY 2024 Intended Use Plan.

Drinking Water Project Applications (Agenda Items G-3 and G-4)

- Seventeen of the 79 applications for drinking water construction project funding are recommended for funding with DWSRF funds, including two projects (applications #14 and #25) that are recommended for funding with IIJA DWSRF-EC funds. The last funded project scores 43 points.
- Sixteen out of the 79 applications (20 percent) were from LGUs designated as Distressed. Seven of the 17 drinking water projects recommended for funding (41 percent) are from LGUs designated as Distressed.
- Four projects in the SRF funding range (applications #4, #6, #15, and #19) are potentially to be fully funded with IIJA DWSRF-EC funds in this funding scenario and would be bypassed for DWSRF funding.
- Three projects in the SRF funding range (applications #3, #10, and #13) are bypassed for funding because they do not qualify for the applicants' minimum requested grants/PF. The applications were for the Town of Fairmont and the Town of Whitakers.
- Eleven applications qualify for PF. After identifying all applications that qualify for DWSRF loan assistance and receiving the initial \$500,000 PF cap (where eligible), additional PF funding was available. In accordance with the DWSRF IUP, the additional PF funding exceeding the \$500,000 cap would be awarded in \$500,000 increments up to the maximum PF eligibility of those projects, in priority order. For this funding round, additional PF exceeding the \$500,000 cap was available for nine projects. In this funding round, all applications in the funding range receive the maximum amount of PF for which they qualify.
- Town of River Bend's Drinking Water Improvements-Phase II project (application #1) is the highest scoring project. The applicant was previously awarded \$10,429,895 in DWSRF loans and PF in project SRF-D-2070 for the same project. The applicant requests additional funds for the project, with a modified scope. Segregating the portion of the project that was previously funded, it was determined that the applicant needs an additional \$6,274,250 to cover the costs for the modified scope. In this funding scenario, \$3,137,125 in DWSRF PF and \$3,137,125 in DWSRF loans, along with the previously awarded \$10,429,895, would fully fund the project, including the modified scope.

- Energy United Water Corporation's project (application #7) is in the funding range. Energy United Water Corporation is an eligible applicant as a non-profit water corporation. However, the company is on the Office of State Budget and Management's Suspension of Funding List (SOFL). State agencies are prohibited from disbursing funds to entities included in the SOFL. Staff recommend selecting the project for a potential funding award, with a condition that the company is removed from the SOFL by January 15, 2026 prior to receiving a funding award. Failure to be removed from the SOFL by that date would result in the cancelation of the intent to fund the project.
- Fayetteville Public Works Commission's PO Hoffer/Glenville Lake WTP GAC Facilities project (appl. #25) is the last funded DWSRF project, receiving \$15,500,000 in DWSRF loans, which is the remainder of the DWSRF funds available in this round. Along with \$5 million in IIJA DWSRF-EC funding, total project funding awarded by the Authority would total \$80,500,000.

Wastewater Emerging Contaminants Project Application (Agenda Items G-5 and G-6)

- Only one application was received for the IIJA CWSRF-EC program. The application is for Cumberland County's landfill leachate construction project, which was previously awarded \$7,223,960 in IIJA CWSRF-EC funds for construction in project SRF-W-EC-0001. The applicant indicated that the total project costs have been reduced with preliminary engineering design, but \$2,850,822 was needed in additional funding to fully fund the project. The applicant is eligible for IIJA CWSRF-EC funds in this round, and is recommended for \$2,850,822 in additional funds.
- Only \$2,850,822 of the \$3,059,040 available in IIJA CWSRF-EC construction funds are awarded in this funding round. The remaining \$208,218 will be included in the Fall 2025 funding round.

Wastewater Project Applications (Agenda Items G-7 and G-8)

- ~~Nine~~ **Eleven** of the 54 wastewater construction project applications are recommended for funding with CWSRF funds. The last funded project scores ~~54~~ **50** points.
- ~~The nine~~ **Eleven of the twelve** highest-scoring applications are in the funding range and recommended for funding. All ~~nine~~ **eleven** projects would be fully funded in this scenario. ~~None~~ **One** of the highest-scoring applications ~~are~~ **is** bypassed for funding.
- ~~The Town of White Lake's Phase 3 sewer improvement project was bypassed as they requested 100% PF while they are only eligible to receive up to 25% PF based on the affordability calculator.~~
- ~~The City of Sanford's Dry Creek Basin Sewer Rehabilitation project (project #29) now receives 57 points and is in the funding scenario to be awarded \$3 million in PF and \$4,292,700 in CWSRF loans.~~
- ~~Bryson City's Wastewater Treatment Plant Improvement Project (project #11) is the last funded project this round with a total of 50 points. This Applicant seeks additional funds for a previously-funded project. With an additional \$3 million in PF and \$6,237,200 in loans, this project will be fully funded at above \$26 million.~~

- Nineteen out of 54 wastewater project applications (35 percent) were from LGUs designated as Distressed. ~~Five~~ **Six** of the ~~nine~~ **eleven** wastewater projects recommended for funding (55 percent) are from LGUs designated as Distressed.
- ~~Five~~ **Seven** applications qualify for PF. After identifying all applications that qualify for CWSRF loan assistance and receiving the initial \$500,000 PF cap (where eligible), additional PF funding was available. In accordance with the CWSRF IUP, the additional PF funding exceeding the \$500,000 cap would be awarded in \$500,000 increments up to the maximum PF eligibility of those projects, in priority order. For this funding round, additional PF exceeding the \$500,000 cap was available for the following five projects:
 - Town of Belhaven WWTP Improvements (application #3): ~~\$4,500,000~~ **\$3 million** PF and ~~\$246,400~~ **\$1,746,400** CWSRF repayable loan.
 - Town of Jamesville WWTP Upgrades Phase II (application #5): ~~\$4,500,000~~ **\$3 million** PF and ~~\$302,500~~ **\$1,802,500** CWSRF repayable loan.
 - Town of Aurora Forcemain Replacement & Lift station Rehab (application #6): \$1,497,547 PF and \$499,182 CWSRF repayable loan. Applicant receives the maximum PF for which they are eligible.
 - Town of Warrenton WWTP Improvements Phase IV (application #7): ~~\$4,500,000~~ **\$3 million** PF and ~~\$5,500,000~~ **\$7 million** CWSRF repayable loan.
 - **City of Sanford Dry Creek Basin Sewer Rehabilitation (application #29): \$3 million PF and \$4,292,700 CWSRF repayable loan.**
 - City of Lexington LRWWTP Solids Handling Improvements (application #8): ~~\$3,428,000~~ **\$3 million** PF and ~~\$10,284,000~~ **\$10,712,000** CWSRF repayable loan.
 - **Town of Bryson City Wastewater Treatment Plant Improvements (application #11): \$3 million PF and \$6,237,200 CWSRF repayable loan.**
- The City of Lexington's LRWWTP Solids Handling Improvements project (application #8) was previously awarded \$27,979,000 in CWSRF loans and PF. The applicant is requesting an additional \$13,712,000 to fully fund the project. With this additional funding, the project will be funded at \$41,691,000. The project will be required to meet the originally approved timeline for completion.
- The Cape Fear Public Utility Authority, Southside WWTP Replacement and Capacity project (application #4) was previously partially funded \$140 million in CWSRF loans. With an additional \$35 million CWSRF loan award (the maximum an applicant can be awarded in CWSRF loans per funding round), the project will be awarded \$175 million in CWSRF repayable loans. Total project cost is nearly \$400 million. Applicants are limited to \$200 million in outstanding loans in the CWSRF program across all funded CWSRF projects. The project will be required to meet the originally approved timeline for completion.
- ~~City of Henderson's Sandy Creek Pump Station and Forcemain project (application #9) is the last wastewater project funded with CWSRF funds in this round and would be fully funded.~~

This example funding scenario is detailed in Tables 4 – 7 below. These tables identify the projects that would potentially be funded under the example funding scenario. A full list of applications, including those that would not be funded under this scenario, are shown in the accompanying spreadsheets (Agenda Items G-1 through G-8). Application numbers in the tables below refer to application numbers in the accompanying spreadsheets.

Other Funding Scenarios

Note that there are other funding scenarios which could be constructed, and staff can assist the Authority with other scenarios during the meeting. Staff will be prepared to discuss alternative funding scenarios.

Staff Recommendation

Staff recommend that SWIA fund the following project as shown in the revised Staff Report:

- DWSRF-EC Project No. 2

This award will replace \$5 million of the previous SRF award.

Staff recommend that SWIA fund the following projects as shown in the Staff Report:

- DWSRF-EC[†] Project Nos. 1,3-6,8,9
- DW Projects Nos. 1,2,5,7[‡]-9,11,12,14,17,18,20-25
- CWSRF-EC[†] Project No. 1
- WW Project Nos. 1-7, 29 (revised), 8,9,11

[†]Note: CWSRF and DWSRF EC awards are contingent on DWI's receipt of funds from EPA

[‡] DW Project #7 to be awarded with a condition that the applicant is removed from the Suspension of Funding List by January 15, 2026, prior to receiving a funding offer.

Table 4. IIJA DWSRF-EC Construction Project Applications in the Example Funding Scenario						
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	IIJA DWSRF-EC Principal Forgiveness	Other Funding Recommended (see Table 5)
1	Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Cumberland	\$1,327,800	\$1,327,800	
2	Cumberland County	Gray's Creek Phase 2	Cumberland	\$19,614,136	\$5,000,000	
3	Carolina Water Service, Inc	PFAS Implementation - College Park	Gaston	\$614,026	\$614,026	
4	Martin County Regional Water and Sewer Authority	GAC Filters for PFAS Removal	Martin	\$1,015,500	\$1,015,500	
5	Fayetteville Public Works Commission	PO Hoffer/Glenville Lake WTP GAC Facility	Cumberland	\$51,182,600	\$5,000,000	\$15,500,000
6	Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Cumberland	\$3,983,400	\$3,672,200	\$311,200
8	Carolina Water Service, Inc	PFAS Implementation - Tanglewood Estates	Cumberland	\$450,313	\$450,313	
9	Graham, City of	Graham-Mebane WTP Improvements	Alamance	\$30,250,000	\$3,441,466	
Totals for IIJA DWSRF-EC Project Applications in Funding Scenario					\$15,521,305 \$20,521,305	\$18,612,000

Table 5. Drinking Water Project Applications in the Example Funding Scenario for DWSRF Funding							
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	IJA DWSRF-EC Principal Forgiveness (see Table 4)	DWSRF Principal Forgiveness	DWSRF Loan
1	River Bend, Town of	Drinking Water Improvements- Phase II	Craven	\$8,712,600	\$0	\$3,137,125	\$3,137,125
2	Chocowinity, Town of	WTP and Waste Discharge Improvements	Beaufort	\$4,485,000	\$0	\$3,363,750	\$1,121,250
5	Carolina Water Service, Inc	Olde Point - Fe Mn Filtration	Pender	\$1,403,959	\$0	\$0	\$1,403,959
7	Energy United Water Corporation	Energy United Water Corp DWSRF	Alexander, Iredell	\$2,422,745	\$0	\$605,686 ¹	\$1,817,059 ¹
8	Hobgood, Town of	DW Distribution System Replace and Improvements	Halifax	\$3,523,425	\$0	\$3,523,425	\$0
9	Hamilton, Town of	Water System Improvements	Martin	\$2,014,940	\$0	\$2,014,940	\$0
11	Pfeiffer-North Stanly Water Association	N Main St and Old 52 W/L Replacement	Stanly	\$4,931,200	\$0	\$2,465,600	\$2,465,600
12	Aurora, Town of	Water Supply Well #1 and Well #2 Rehab	Beaufort	\$1,071,489	\$0	\$535,745	\$535,745
14	Aqua North Carolina, Inc	Brookwood Community Ion Exchange Filters	Cumberland	\$3,983,400	\$3,672,200	\$0	\$311,200
17	Walstonburg, Town of	Water System Improvements Phase 2	Greene	\$909,976	\$0	\$909,976	\$0
18	Ayden, Town of	Galvanized/Cast Iron Waterline Replacement	Pitt	\$500,000	\$0	\$500,000	\$0
20	Carolina Water Service, Inc	Whispering Pines - Pine Lake Water Main	Moore	\$985,000	\$0	\$0	\$985,000
21	Carolina Water Service, Inc	Whispering Pines - Thagards Lake WM	Moore	\$1,100,000	\$0	\$0	\$1,100,000
22	Norwood, Town of	C&A Booster Pump Station Replacement	Stanly	\$2,204,900	\$0	\$1,653,675	\$551,225
23	Ansonville, Town of	Water Pipeline Replacement Bore	Anson	\$659,500	\$0	\$164,875	\$494,625
24	Landis, Town of	Mt. Moriah Ch – N Main St WL Replacement	Rowan	\$4,631,063	\$0	\$0	\$4,631,063
25	Fayetteville Public Works Commission	PO Hoffer/Glenville Lake WTP GAC Facility	Cumberland	\$51,182,600	\$5,000,000	\$0	\$15,500,000
Totals for DWSRF Project Applications in Funding Scenario						\$18,874,797	\$34,053,850
						\$52,928,647	

¹ Conditional on being removed from the SOFL by January 15, 2026.

Table 6. IJIA CWSRF-EC Construction Project Applications in the Example Funding Scenario					
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	IJIA CWSRF-EC Principal Forgiveness
1	Cumberland County	Landfill Leachate PFAS Treatment	Cumberland	\$10,074,782	\$2,850,822
Totals for IJIA CWSRF-EC Project Applications in Funding Scenario					\$2,850,822

Table 7. Wastewater Project Applications in the Example Funding Scenario for CWSRF Funding						
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	CWSRF Principal Forgiveness	CWSRF Loan
1	Lenoir, City of	Lower Creek WWTP Process Basin Improvements	Caldwell	\$5,600,000	\$0	\$5,600,000
2	Waynesville, Town of	Little Champion GS & PS Improvements	Haywood	\$8,234,050	\$0	\$8,234,050
3	Belhaven, Town of	Belhaven WWTP Improvements CWSRF	Beaufort	\$4,746,400	\$4,500,000 \$3,000,000	\$246,400 \$1,746,400
4	Cape Fear Public Utility Authority	Southside WWTP Replacement	New Hanover	\$256,564,166	\$0	\$35,000,000
5	Jamesville, Town of	WWTP Upgrade - Phase II	Martin	\$4,802,500	\$4,500,000 \$3,000,000	\$302,500 \$1,802,500
6	Aurora, Town of	Force Main Replace & Lift Station Rehab	Beaufort	\$1,996,729	\$1,497,547	\$499,182
7	Warrenton, Town of	WWTP Improvements Phase IV	Warren	\$10,000,000	\$4,500,000 \$3,000,000	\$5,500,000 \$7,000,000
29 (revised)	Sanford, City of	Dry Creek Basin Sewer Rehabilitation	Lee	\$7,292,700	\$3,000,000	\$4,292,700

Table 7. Wastewater Project Applications in the Example Funding Scenario for CWSRF Funding						
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	CWSRF Principal Forgiveness	CWSRF Loan
8	Lexington, City of	LRWWTP Solids Handling Improvements D&C	Davidson	\$13,712,000	\$3,428,000	\$10,284,000
9	Henderson, City of	Sandy Creek Pump Station and Force Main	Vance	\$10,720,000	\$0	\$10,720,000
11	Bryson City, Town of	Wastewater Treatment Plant Improvements	Swain	\$9,237,200	\$3,000,000	\$6,237,200
Totals for CWSRF Project Applications in Funding Scenario					\$18,425,547	\$76,386,132
					\$19,497,547	\$91,844,032
					\$94,811,679	\$111,341,579