

**North Carolina  
Infrastructure Investment and Jobs Act  
Drinking Water State Revolving Fund  
Lead Service Line Replacement  
(IIJA DWSRF-LSLR)**

**Intended Use Plan  
Fiscal Year 2024**

**Draft for Public Review  
February 2025**

Main changes from the FY2023 IUP are identified in red font text. Note that references to “Bipartisan Infrastructure Law” or “BIL” have been replaced with “Infrastructure Investment and Jobs Act” or “IIJA”. *IIJA* and *BIL* can be used interchangeably.

**Division of Water Infrastructure**

**North Carolina Department of Environmental Quality**

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## 1. Introduction and Capitalization Grants Summary

This Intended Use Plan (IUP) addresses the FY2024 **Infrastructure Investment and Jobs Act<sup>1</sup>** (IIJA) Drinking Water State Revolving Fund Lead Service Line Replacement (DWSRF-LSLR) funding. The IUP provides details on the Division of Water Infrastructure's (Division) intent to administer the DWSRF-LSLR program and to apply for the FY2024 IIJA DWSRF-LSLR capitalization grant. North Carolina's allotment of the FY2024 IIJA DWSRF-LSLR funds is **\$76,201,000**. No state match is required for this funding. **The table below summarizes the capitalization grant and the allotment of the funds between various uses described in this Intended Use Plan.**

**Table Summary of Capitalization Grant**

	<b>FY2024 IIJA DWSRF-LSLR</b>
<b>Capitalization Grant Amount</b>	<b>\$76,201,000</b>
<b>State Match</b>	<b>N/A. \$0.</b>
<b><i>Subtotal</i></b>	<b><i>\$76,201,000</i></b>
<b>Set-Asides from Cap. Grants:</b>	
<b>A. Program Administration</b>	<b>Up to 4%. Up to \$3,048,040</b>
<b>B. Technical Assistance to Small Systems</b>	<b>Up to 2%. Up to \$1,524,020</b>
<b>C. Administration of the Public Water Supply Supervision Program</b>	<b>Up to 10%. Up to \$7,620,100</b>
<b>D. Local Assistance and Other State Programs</b>	<b>Up to 10%. Up to \$7,620,100</b>
<b><i>Set-Asides subtotal<sup>2</sup></i></b>	<b><i>Up to \$19,812,260</i></b>
<b><i>Available for loans from grant, including Principal Forgiveness</i></b>	<b><i>At least 74% of cap grant (\$56,388,740)</i></b>
<b>Principal Forgiveness from capitalization grant</b>	<b>49%. \$37,338,490</b>
<b>Available as 0% interest loan from cap grant</b>	<b>\$19,050,250</b>

The Division of Water Infrastructure is part of the North Carolina Department of Environmental Quality (NCDEQ). The Division administers financial assistance programs to assist eligible public water supply systems in constructing projects that both benefit public health and improve the human environment. Eligible public water supply systems<sup>3</sup> are local government units (LGUs), non-profit water utilities, and investor-owned drinking water companies. Most of the customers of public water supply systems across North Carolina are served by local government units.

<sup>1</sup> Infrastructure Investment and Jobs Act (IIJA) is also referred to as Bipartisan Infrastructure Law (BIL). IIJA and BIL can be used interchangeably.

<sup>2</sup> Unused amounts that are budgeted for set-asides will be used for project loan disbursements prior to closing the capitalization grant.

<sup>3</sup> For brevity, "LGUs" in this Intended Use Plan refers to all eligible entities, including local government units, non-profit water utilities, and investor-owned drinking water utilities.

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

Specific to this document, the Division administers the DWSRF program as established by the 1996 Amendments to the Safe Drinking Water Act (SDWA), (P.L. 104-182), Section 1452. The DWSRF program offers loans to public water supply systems for drinking water infrastructure at interest rates lower than market rates. As a public water supply system repays the loan, the monies are again loaned out, hence the revolving nature of the program. All loan repayments must go back into the general DWSRF program. This Intended Use Plan explains how the capitalization grant will be used and how the fund will operate in accordance with Section 1452(b) of the SDWA.

The IUP is incorporated into the capitalization grant agreement and becomes the grant work plan. Combined, the operating agreement, grant agreement, IUP, SDWA, and state statutes set the program requirements for the DWSRF and its components, such as the IJA DWSRF-LSLR funds. The IUP identifies anticipated projects scheduled for loan commitments from the IJA DWSRF-LSLR. It also explains how the IJA DWSRF-LSLR will utilize a priority rating system to identify those projects that will address the greatest need and/or provide the greatest positive public health impact in North Carolina.

Funding is available to identify, inventory, and replace lead service lines in drinking water systems. A service line connects the water main to the building inlet. A lead service line may be owned by the water system, the property owner, or both. **Replacement of lead service lines and galvanized service lines that ever was or currently is downstream of any known lead service line or components are eligible for IJA DWSRF-LSLR funding. Per US EPA's May 1, 2024 memo, starting with the FY2024 capitalization grant, replacement of galvanized service lines that are or were downstream of service lines or components of unknown material (i.e., not known lead) are no longer eligible for IJA DWSRF-LSLR funding.** The replacement of lead goosenecks, pigtails, and connectors are eligible expenses for IJA DWSRF-LSLR funds, whether stand-alone or connected to a lead service line. For brevity, "lead service line replacement" in this IUP refers to the replacement of all of the above, including the replacement of lead goosenecks, pigtails, and connectors.

## 2. Financial History

Congress appropriated funds to the DWSRF in the Infrastructure Investment and Jobs Act of 2021, commonly referred to as the Bipartisan Infrastructure Law (BIL). The IJA appropriated additional funds for five fiscal years (FY2022-FY2026) specifically for lead service line replacements, referred to as the IJA DWSRF-Lead Service Line Replacement (IJA DWSRF-LSLR) Fund. The IJA also appropriated funds specifically to supplement the DWSRF funds and to address emerging contaminants issues, plans for which will be described in separate IUPs.

North Carolina will receive a federal capitalization grant for the FY2024 IJA DWSRF-LSLR program, **in the amount shown in the Table Summary of Capitalization Grant.** No state match is required for this funding. Forty-nine percent of the capitalization grant must be offered to LGUs in the form of

principal forgiveness loans. Other funds available for projects must be offered to LGUs in the form of low-interest loans that are not principal forgiveness, according to the BIL. North Carolina will offer those loans with a 0% interest rate.

DWSRF-LSLR funds will not be used to satisfy debt security requirements and set-aside funds will not be made available as loans.

### 3. Programmatic Goals

Pursuant to the SDWA, the State must identify the goals and objectives of the state loan fund (i.e., the IIJA DWSRF-Lead Service Line Replacement). 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 5.1 to Ensure Safe Drinking Water and Reliable Water Infrastructure. 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 IIJA DWSRF-LSLR program:

#### 3.1. Overall DWSRF Program Goal

Provide funding for drinking 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 public health goals of SDWA while targeting the systems with the greatest needs.

#### 3.2. Lead Service Line Replacement Short-Term Goals

- Continue efforts to inform eligible drinking water systems of the availability of funds, benefits of the DWSRF-LSLR program, and funding process improvements.
- Work closely with local water agencies to complete lead service line (LSL) inventories and verifications of unknown service line materials. Under the Final Lead and Copper Rule Improvements **adopted in October 2024**, all water systems must **identify and replace lead service lines within 10 years**. Technical assistance set-aside funds will be used to help water systems develop inventories and verify service line materials for the "unknowns". Preparing the inventory and verifying service line materials will allow systems to assess the magnitude of their LSLs, better identify sampling locations, and begin removal actions of LSLs.

#### 3.3. Long-Term Goals

- Support water agencies in full LSL replacement. A service line connects the water main to the building inlet. A lead service line may be owned by the water system, the property owner, or both. **Replacement of lead service lines and galvanized service lines that ever was or currently is downstream of any known lead service line or components are eligible for IIJA DWSRF-LSLR funding.** The replacement of lead

goosenecks, pigtails, and connectors are eligible expenses for IIJA DWSRF-LSLR funds, whether stand-alone or connected to a lead service line. For brevity, “lead service line replacement” in this IUP refers to the replacement of all of the above, including the replacement of lead goosenecks, pigtails, and connectors.

#### 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 federal law. The State intends to access up to 4% of the FY2024 capitalization grant (see the Table Summary of Capitalization Grants for the amount) for the administrative costs associated with running the program. These activities include application review, scope review, engineering report and environmental document review, design review, loan processing, final report review, construction inspection, and loan repayment processing and accounting for funded projects.

In addition to funding lead service line inventorying and replacement projects by eligible entities, the State intends to use set-asides from the IIJA DWSRF-LSLR capitalization grant for non-construction project activities related to identifying, inventorying and replacing lead service lines. Non-construction project activities will be conducted directly by the Division, by the Public Water Supply (PWS) Section of the Division of Water Resources in the North Carolina Department of Environment Quality, and through contracts with other agencies and organizations. See Appendix A for more information about set-aside activities. The administrative set-aside is administered by the Division of Water Infrastructure. The Division reserves the right to use unused portions of set-asides at a later date.

The following table provides a summary of the projected funds available as a result of the FY2024 federal capitalization grant for IIJA DWSRF-LSLR, which is the **third** year of capitalization in the five-year program. **The FY2022 capitalization grant was conditionally awarded to the Division in September 2023, with access limited only to set-aside funds. Conditions were partially removed in April 2024 to provide partial access to project loan funds for the first-awarded LSLR projects. The FY2023 capitalization grant was conditionally awarded to the Division in July 2024, with access limited only to set-aside funds. The Division is providing updated Project Priority Lists to EPA in March 2025 to remove the conditions on the FY2022 and FY2023 capitalization grants. Set-aside funds are being used to pay for administrative costs and costs associated with contracted vendors conducting technical assistance specified in the set-aside workplan. The first LSLR project loan disbursements began in early FY2025. The project and set-aside expenditures, by fiscal year, while not ready for this draft IUP, will be provided in the final IUP by updating the Sources and Uses table below.**

## Sources and Uses for the Life of the Program (updated February 2025)

Historic Sources and Uses									
	Revenues					Expenditures (to be updated)		Net	
FY	Federal Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Set-Asides	Net For FY	Cumulative Net
2024 (FY22 conditional award updated in April 2024)	\$63,198,333	\$0	\$0	N/A	N/A	\$0	To be updated	\$63,198,333 To be updated	\$63,198,333 To be updated
2025 (FY23 conditional award)	\$22,695,400	\$0	\$0	N/A	N/A	\$0	To be updated	\$22,695,400	\$85,893,733
<b>Totals</b>	<b>\$85,893,733</b>	<b>\$0</b>	<b>\$0</b>	N/A	N/A	<b>\$0</b>	To be updated	<b>\$85,893,733</b>	
Projected Sources and Uses for FY2025 - FY2027 (based on Availability Model)									
	Revenues					Expenditures		Net	
FY	Federal Cap	State Match	Repayments Principal	Repayments Interest	Interest Earned	Project Disbursements	Set-Asides	Net For FY	Cumulative Net
2025 (FY22 cap grant remainder)	\$23,863,667	\$0	\$0	N/A	N/A	\$5,000,000	\$18,283,020 To be updated	\$580,647	\$86,474,380
2026 (FY23 cap grant remainder)	\$64,594,600	\$0	\$0	N/A	N/A	\$20,000,000	\$22,695,400	\$21,899,200	\$108,373,580
2026 (FY24 cap grant conditional award)	\$19,812,260	\$0	\$0	N/A	N/A	\$0	\$0	\$19,812,260	\$128,185,840
2027 (FY24 cap grant remainder)	\$56,388,740	\$0	\$0	N/A	N/A	\$50,000,000	\$19,812,260	(\$13,423,520)	\$114,762,320
Projected Uses for Active Projects beyond FY 2025									
Project Disbursements <sup>1</sup>						\$114,762,320		(\$114,762,320)	\$0
Repayments from 0% Loans			\$66,991,350	\$0	Will be added to DWSRF program to provide DWSRF loans.				

Values in BLUE as approximate values.

<sup>1</sup> Project disbursements may last seven years after capitalization grant award, through FY2033.

## 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 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 DWSRF-Lead Service Line Replacement Priority Rating System established by the State Water Infrastructure Authority working with the Division (see Appendix D). 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.

IIJA DWSRF-LSLR funds will only be awarded to projects when the entire project is eligible for IIJA DWSRF-LSLR funds and receives Project Purpose priority points in the priority rating system.

- Eligible costs include the following:
  - Replacement of curb stops, curb stop boxes, and other service line appurtenances that are removed as part of full LSLR.
  - Site restoration, including landscaping, sidewalks, driveways, curbs, etc., if the removal is necessary to replace the lead service line.
  - Permit fees if the fees are normal, required, and specific to the LSLR. It is recommended that LGUs waive these fees.
  - Temporary pitcher filters or point-of-use (POU) devices certified to reduce lead during or for a short time period after LSLR projects by an American National Standards Institute-accredited certifier.
  - Non-routine (i.e., not for compliance purposes) lead sampling as part of a LSLR project.

The Priority Rating Systems considers three elements: project purpose, project benefit, and affordability.

- Project purpose points are available for projects to accomplish the following:
  - Complete removal of lead service lines (both public and privately owned portion) or service lines made of galvanized iron or galvanized steel that are currently or have previously been downstream of **known** lead components and replacement with pipe that meets the requirements established under 40 CFR 143 and complies with state and local plumbing codes and/or building codes.
  - Removal of lead or galvanized goosenecks, pigtails, and connectors and replacement with an acceptable material that meets the requirements established under 40 CFR 143 and complies with state and local plumbing codes and or building codes.



- Establish and implement a program to find and replace lead service lines in areas suspected of having lead service lines or connectors.
- Develop or update lead service line inventories, including locating and mapping lead service lines. Methods of investigation to develop inventories may include visual observation, water quality sampling (non-compliance), excavation, vacuum or hydro-excavation, statistical analysis, or other emerging technologies.
- Project benefit points are given for applicants that have a documented exceedance of the lead action level, and additional prioritization for projects that will address the documented exceedance of the lead action level.
- The Division 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, higher unemployment, or projects that benefit disadvantaged areas receive higher 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.

## 5.2. Estimated Funds Available for Each Funding Round

It is the intent of the Division to make the IJJA DWSRF-LSLR funds available to systems more quickly than the traditional funding cycles which occur twice per year (awards in February, and July). IJJA DWSRF-LSLR funds will be made available for awards as part of regular State Water Infrastructure Authority (SWIA) meetings throughout the year. The Division will establish application due dates for each funding cycle based on established SWIA meeting dates and will communicate those due dates on the Division's website. Complete and eligible applications received on or prior to the application due date will be considered for funding and the Division will make funding recommendations to SWIA at the next scheduled SWIA meeting. Projects not selected for funding will be automatically reconsidered for the next funding cycle.

The following table shows the expected funding rounds for the FY2024 IJJA DWSRF-LSLR funds but are subject to change based on SWIA meeting dates and on availability of funds.

Expected Funding Rounds for the FY2024 IIJA DWSRF-LSLR funds				
Approximate Application Due Date	Approximate SWIA Meeting (Award Date)	Estimated Min. FY2024 Principal Forgiveness (PF) Available	Estimated Min. FY2024 Zero-Interest Loans Available	Estimated Min. FY2024 LSLR Funds Available (Includes PF)
January 10, 2025	February 19, 2025 <sup>1</sup>	\$0 (actual)	\$5,360,560 (actual)	\$5,360,5560 (actual)
March 7, 2025	April 16-17, 2025	\$12,446,164 (+\$399,352 remaining from FY2023)	\$4,563,230	\$17,009,394 (+\$399,352 remaining from FY2023)
June 6, 2025	July 16, 2025	\$12,446,164	\$4,563,230	\$17,009,394
August 1, 2025	September 17, 2025	\$12,446,162	\$4,563,230	\$17,009,392 <sup>2</sup>
November 7, 2025	December 10, 2025	Any unobligated FY2024 amount + TBD <sup>2</sup>	Any unobligated FY2024 amount + TBD <sup>2</sup>	Any unobligated FY2024 amount + TBD <sup>2</sup>
<b>Totals from FY2024 Cap Grant</b>		<b>\$ 37,338,490</b>	<b>\$19,050,250</b>	<b>\$56,388,740</b>

<sup>1</sup> February 2025 funding awards by SWIA in excess of previous capitalization grant funding available; pending receipt of FY2024 capitalization grant funds from EPA.

<sup>2</sup> Funding may be available based on remaining availability of FY2024 IIJA DWSRF-LSLR funds and on awards for funding from FY2025 IIJA DWSRF-LSLR.

### 5.3. Application and Project Deadlines

The IIJA DWSRF-Lead Service Line Replacement program operates on a priority basis. Funding is allocated to projects in priority order (as noted above) and within special reserve requirements (e.g., Principal Forgiveness Reserve, etc. as described herein) until available funds for a funding round are exhausted. Funding availability for each funding round is determined based on LSLR funds remaining and number of founding rounds remaining in the Capitalization Grant cycle. Results will be posted on the program's website. Funding applications will be accepted throughout the year. Only projects with a scope entirely eligible for LSLR funds will be eligible for funding from the IIJA DWSRF-LSLR by the State Water Infrastructure Authority.

Awards will be made by the Authority at meetings scheduled and advertised on the Division's website. After the Authority approves awards of funds to eligible projects during a funding cycle, the DWSRF program will issue Letters of Intent to Fund (LOIF) based on the projects' prioritization and the amount of funds available in the cycle.

Project funding is contingent on adherence to the schedule below in accordance with §159G-41 (times listed are measured from the date of the Letter of Intent to Fund unless noted otherwise). Projects that do not require engineering design may have an alternate

project schedule that skips unnecessary milestones and moves project to completion more quickly. Such projects will be expected to be completed within one year of the award:

- Within four months, a complete Engineering Report for construction projects or a project scope for inventorying work must be submitted to the Division. Inventory projects will not be required to submit an Engineering Report and will have an alternative schedule established.
- Within six months, the Engineering Report or scope of work must be approved by the Division.
- Within nine months, plans and specifications or bid and design documents must be submitted to the Division for construction projects. Inventory Projects will not be required to submit an Engineering Report and will have an alternative schedule established.
- Within 12 months, plans and specifications or bid and design documents must be approved by the Division.
- Within 16 months, the following events must be completed (If applicable):
  - Advertise the project for bids
  - Receive bids
  - Submit bid information to Division
  - Obtain the Division's Authority to Award construction contracts.
- Within 18 months, construction contracts must be executed. Inventory Projects will have an alternative schedule established.

Per G.S.159G-41, a letter of intent to offer (LOIF) an award is withdrawn if the applicant fails to enter into a construction contract for the project within two years after the LOIF. An award for a project is withdrawn if the applicant fails to enter into a construction contract for the project within one year after the date of the award. Both milestones may be extended if the Department finds that the applicant has good cause for the failure and the Department sets a date by which the applicant must take action or forfeit the loan or grant.

The milestones in the timeline above are absolute for all projects in a particular cycle and will not be extended except upon a demonstrated need for extension by the LGU. Projects may be able to meet these milestones ahead of schedule. However, in the event that any milestone noted above is not met, work by the Division staff may be suspended and all documents returned to the Applicant until the proposed project is resubmitted for consideration during a future funding round.

#### 5.4. Detailed Loan and Project Funding Criteria

##### 5.4.1. General

- 5.4.1.1. To be eligible for IJJA DWSRF-Lead Service Line Replacement funding, a project must be on the Intended Use Plan Project List.
- 5.4.1.2. Funding can be provided for any eligible projects as provided for in the Safe Drinking Water Act and NCGS 159G. A project or activity is eligible for funding when it is both DWSRF-eligible and either a lead service line replacement (LSLR) project or associated activity directly connected to the identification, inventorying, planning, design, and replacement of lead service lines. Any project involving the replacement of a lead service line must replace the entire lead service line, not just a portion, unless a portion has already been replaced, is concurrently being replaced with another funding source, or identified as not needing replacement due to the absence of a lead service line component.
- 5.4.1.3. To support Lead and Copper Rule Improvement requirements for water systems to inventory lead service lines and to verify the service line materials by established federal deadlines, a minimum of 50% of funds made available for each funding round will be reserved for inventory projects. "Inventory projects" include verification of service line materials. Funds reserved in this section will be made available to all projects in priority order if there are not sufficient applications to meet the 50% minimum funding reserve.
- 5.4.1.4. Funding will be provided in priority order based on project score, Authority determination, and the amount of funds made available with consideration of the principal forgiveness reserve detailed below.
- 5.4.1.5. The maximum IJJA DWSRF-LSLR funding loan amount (including principal forgiveness) per applicant for each funding round as defined in Section 5.2 are as follows:
- \$5,000,000 for projects replacing known lead service lines.
  - \$2,000,000 for projects finding and replacing lead service lines in areas suspected of having lead service lines. Project must result in service lines within the project area being categorized as "known lead" or "known not lead" using methods approved for completion of the LSL inventory as required in the Lead and Copper Revised Rule. Budget must limit service line material verification to \$1,000,000.
  - \$1,000,000 for projects to conduct a lead service lines inventory.
- 5.4.1.6. The maximum loan amount per applicant can exceed caps listed in 5.4.1.5 if additional funding is available in the funding round as defined in Section 5.2. Maximum loan amounts will be increased by \$500,000 increments (up to the funding amount request by the applicant) in

priority order until all funds available during the funding round in Section 5.2 are awarded.

- 5.4.1.7. Projects receiving project purpose priority points will receive loans with a targeted interest rate of 0%.

#### 5.4.2. Principal Forgiveness

- 5.4.2.1. Communities that are eligible to receive principal forgiveness are defined as disadvantaged communities. A total of 49% (see [Table Summary of Capitalization Grant for the amount](#)) of the IJIA DWSRF-LSLR Capitalization Grant will be used to provide additional subsidization in the form of principal forgiveness to disadvantaged communities.

- 5.4.2.2. The Division will provide additional subsidization to projects in the categories provided in 5.4.2.2.1 – 5.4.2.2.2 in project priority order. The Division will provide principal forgiveness to a project based on only one of the categories provided in 5.4.2.2.1 – 5.4.2.2.2.

- 5.4.2.2.1. Affordability: Projects will receive principal forgiveness, if available, following the affordability criteria grant percentage matrix found in Appendix E when the applicant has:
- less than 20,000 residential water 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
  - utility rates greater than the state median or a project cost per connection that is projected to increase the utility rates above the 70<sup>th</sup> percentile of state-wide utility rates.

Projects will receive principal forgiveness, if available, following the affordability criteria grant percentage matrix found in Appendix E when the benefiting system has:

- been designated as distressed per NCGS § 159G-45; and
- utility rates greater than the state median or a project cost per connection that is projected to increase the utility rates above the 70<sup>th</sup> percentile of state-wide utility rates.

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% of the award, in increments of 25%, up to \$1,000,000 per project per

round at the targeted interest rate, as described under 5.4.1.7, applied to the remaining portion of the loan.

- 5.4.2.2.2. 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 \$1,000,000.

A targeted project area will be considered a “disadvantaged area” based on factors that shall include:

- affordability of water and sewer service rates relative to the income levels of residents of the targeted project area;
- median household income of the targeted project area;
- poverty rates of the targeted project area;
- property values of the targeted project area; and/or
- employment rates of the targeted project area.

Additional factors that may qualify the targeted project area as disadvantaged, such as (but not limited to) demographic, historical, cultural, linguistic, 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. **Additional factors cannot be considered if they contradict federal or state requirements for federal funding.**

Applicants must provide a narrative in the application to justify the targeted project area as disadvantaged using the factors above and may use maps or other existing sources to document their justification. For example, applicants can demonstrate a targeted project area as a disadvantaged area if it falls within a Potentially Underserved Block Group or Tribal boundary layer in the North Carolina Department of Environmental Quality’s Community Mapping System.

- 5.4.2.3. Notwithstanding the above limits in 5.4.2.2.1 and 5.4.2.2.2, if available principal forgiveness funds in a funding round exceed the limits in 5.4.2.2.1 and 5.4.2.2.2, those limits may be exceeded to ensure that available principal forgiveness funds in the funding round are used in the following order:

- 5.4.2.3.1. Principal Forgiveness limit of \$1,000,000 may be exceeded by \$500,000 (not to exceed the applicant’s grant percentage eligibility) 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 applicants' grant percentage eligibility) for eligible projects in priority order.

5.4.2.3.2. Principal Forgiveness percentages determined in 5.4.2.2.1 and 5.4.2.2.2 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 available Principal Forgiveness funds are awarded.

#### 5.4.3. Small System Reserve

5.4.3.1. 40 CFR 35.3525(a)(5) requires that a minimum of 15% of the base DWSRF and the IIJA General Supplemental DWSRF loan assistance be awarded to small systems. This requirement and the Small System Reserve do not apply to the IIJA DWSRF-Lead Service line Replacement Funds.

#### 5.4.4. Capacity Development Reviews

Capacity Development reviews for construction projects that require permitting will be done by the Public Water Supply Section. Inventory projects and 'find and fix' projects are not anticipated to have a Capacity Development review. However, inventory details resulting from the projects will be sent to the Compliance agency (PWS) for review. The Division will work closely with the Public Water Supply Section to develop scope and guidance requirements for LSLR projects.

#### 5.4.5. Miscellaneous Criteria/Provisions:

5.4.5.1. Davis-Bacon prevailing wage rates apply to all State Revolving Fund loans.

5.4.5.2. American Iron and Steel provisions apply to loans as required by federal mandates.

5.4.5.3. Build America, Buy America Act (BABA) requirements apply to loans as required by US EPA and federal mandates.

5.4.5.4. The DWSRF 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 the application, while a lower interest rate, if available, will be set at the time of the award offer. An interest rate of 0% will be used for all IIJA DWSRF-LSLR loans.

5.4.5.5. Approval of a repayable loan is contingent on approval by the Local

Government Commission (LGC). Applicants receiving 100% principal forgiveness loans must submit their audited financial statement of the latest fiscal year to the Local Government Commission by July 1 of the following calendar year prior to receiving disbursements from the DWSRF principal forgiveness loan.

- 5.4.5.6. DWSRF loan terms are set by the LGC.
- 5.4.5.7. The maximum DWSRF loan term is determined by state statute and federal requirements. The loan term for LSLR inventories-only (with no construction) will be five (5) years, unless the local government unit is designated as distressed per NCGS § 159G-45 and requests a longer term due to debt capacity limitations.
- 5.4.5.8. A 2% loan fee is required. The loan fee cannot be financed by the DWSRF fund.
- 5.4.5.9. Loan repayments are due in May (principal and interest) and November (interest only) of each year.
- 5.4.5.10. Interest begins accruing on the date of completion established in the Notice to Proceed.
- 5.4.5.11. 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 SDWA, the State of North Carolina certifies that:

- 6.1.1. The State will enter into binding commitments for 100% of the amount of each payment received under the capitalization grant less the set aside allowances within one year after receipt of each payment.
- 6.1.2. The State will expend all funds in the DWSRF in an expeditious and timely manner.

### **6.2. Federal Requirements**

- 6.2.1. The State will ensure that all federal requirements are met as noted in the DWSRF 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 DWSRF 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 DWSRF and Clean Water State Revolving Fund

Transfer of funds between the DWSRF and the Clean Water State Revolving Fund are authorized by federal statutes, however no such provisions are applicable to the IJA DWSRF-LSLR funds. This IUP does not propose any such transfer of funds.

## 7. Program Evaluation Report

DWSRF 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. The draft IUP 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, which is submitted to EPA as part of the capitalization grant application.

As funding awards are made by the State Water Infrastructure Authority, the Project Priority List is updated and published for further 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, incorporates the revised Project Priority List into the amended IUP and submits the amended IUP to EPA's Regional Office for review and to remove applicable conditions on the capitalization grant award.

This section will be completed after the public review period is concluded. Public comments are sought for the draft IUP, including the proposed Priority Rating System, which was established in April 2024 by the State Water Infrastructure Authority and has not been modified since (see Appendix D).

The Division will update and finalize the Intended Use Plan after reviewing public comments. The Division will also incorporate any additional changes to the Intended Use Plan that EPA identifies as

necessary.

## **9. Budget and Project Periods**

- 9.1. The budget and project period being requested for the capitalization grant is shown in Appendix B and on EPA Form SF 424.
- 9.2. The anticipated cash draw ratio will be 100% federal for disbursements made from the capitalization grant.
- 9.3. No State match is required for the IIJA DWSRF-LSLR Funds.
- 9.4. Loan fees (2% of loan amount) 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 DWSRF program. In addition, fees considered non-program income will also be used for other water quality purposes within the Division of Water Infrastructure and Division of Water Resources, including funding for staff 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 year's capitalization grant.

## **Appendix A**

### **Set-Aside Activity Description**

Unused amounts that are budgeted for set-asides will be used for project loan disbursements prior to closing the capitalization grant.

**A. Program Administration**

Up to 4% of the capitalization grant (see amount in the Table Summary of Capitalization Grant) will be used for program administration. Administration includes management of the program; financial management; development of yearly comprehensive project priority lists; scope or project engineering document review; construction inspections for funded projects; supporting inventorying lead service lines; data management; data analysis; reporting; records keeping; public engagement; etc. These funds will also be used to procure all equipment and training necessary for the adequate performance of staff on related duties.

**B. Technical Assistance to Small Systems**

The State will allocate up to 2% of the capitalization grant (see amount in the Table Summary of Capitalization Grant) to provide technical assistance to small water systems. The Division of Water Resources' Public Water Supply (PWS) Section will provide funding support for staff in NC DEQ headquarters and in regional offices. In addition, funds will be used to pay vendors contracted by the Department in a competitive RFP process to conduct inventories, service line verifications, non-routine lead sampling, funding applications, reporting, public engagement, and/or technical assistance to small water systems across the state. Assistance will be provided to small water systems including those that may not be able to access SRF funding effectively. Assistance provided with these funds must be directed to benefit public water supply systems that service a population of less than 10,000.

**C. Administration of the Public Water Supply Supervision Program (State Program Management)**

The State will allocate up to 10% of the capitalization grant (see amount in the Table Summary of Capitalization Grant) to supplement the Public Water System Supervision Grant from EPA for salary and support for the Lead and Copper Rule program implementation of the SDWA. The set-aside provides funding for staff plus any additional permanent, time-limited, or temporary positions, as resources allow, or contracts, as well as additional staff to cover additional resource needs due to new tasks or reduced state budgets. In addition, funds will be used to pay vendors contracted by the Department in a competitive RFP process to conduct inventories, service line verifications, non-routine lead sampling, funding applications, reporting, public engagement, and/or technical assistance to small water systems across the state.

Assistance will be provided to small water systems including those that may not be able to access SRF funding effectively. Adjustments to the set-asides will be made as the project priority list is fully established for the capitalization grant.

D. Local Assistance and Other State Programs

The State will allocate up to 10% of the capitalization grant ([see amount in the Table Summary of Capitalization Grant](#)) for Local Assistance and Other State Programs to support lead service line inventory, replacement, and funding. The set aside funds will be reduced to make funds available for projects to inventory and replace lead service lines as needed. Adjustments to the set-asides will be made as the project priority list is fully established for the capitalization grant.

a. Lead Service Line Inventory/Verification and Funding Application Assistance

Support to water systems will be provided by vendors contracted by the Department under a competitive RFP process. The assistance will help water systems meet requirements established by the Lead and Copper Rule (Revisions and Improvement). Services will include technical support to communities to conduct inventories, verify service line materials, conduct non-routine lead sampling, identify lead service lines in need of replacements to be potentially funded with IIJA DWSRF Lead Service Line Replacement Funds, apply for IIJA DWSRF-LSLR or DWSRF funding to address lead service line inventorying and replacement, report inventories to the Department, engage with the public and/or provide related technical assistance to water systems across the state. Assistance will be provided to small water systems including those that may not be able to access SRF funding effectively.

## Appendix B

### **Draft - Intended Use Plan Project Priority List for IIJA DWSRF-LSLR**

The Intended Use Plan Project Priority List will be supplemented or replaced based on applications received as a part of future funding cycles. **Funds from this year's capitalization grants may also be disbursed to projects listed on previous years' Intended Use Plan Project Priority Lists that are active during this year's capitalization grant's performance period.**

Funding awards for FY2024 IIJA DWSRF-LSLR funding began in **February 2025**. Based on the number of water systems applying for IIJA DWSRF-LSLR funds, the Division expects applications for FY2024 IIJA DWSRF-LSLR funds to continue throughout calendar year 2025. The Project Priority List will be created and subjected to a public comment period after applications are received and awarded FY2024 IIJA DWSRF-LSLR funds pending receipt from US EPA.

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. All loans are provided as zero-interest loans.**

**Of the projects selected for funding awards in February 2025, \$5,360,560 of the zero-interest loan assistance (and \$0 of principal forgiveness assistance) will be funded from the FY2024 IIJA DWSRF-LSLR capitalization grant.** The rest of the projects to be funded from FY2024 IIJA DWSRF-LSLR funds have not yet been selected but are expected to be selected throughout 2025 in various SWIA meetings. The Intended Use Plan Project Priority List will be supplemented based on applications received as a part of future funding cycles.

### **Applications and Awards – February 2025 Round**

**Of the projects selected for funding awards in February 2025, \$5,360,560 of the zero-interest loan assistance (and \$0 of principal forgiveness assistance) will be funded from the FY2024 IIJA DWSRF-LSLR capitalization grant.**

<b>Applicant Name</b>	<b>County</b>	<b>Project Type</b>	<b>PWSID</b>	<b>Service Population</b>	<b>Funding Amount Requested</b>	<b>Priority Points</b>	<b>DWSRF-LSLR Principal Forgiveness</b>	<b>DWSRF-LSLR 0% Interest Loans</b>	<b>Total Funding</b>
Bessemer City	Gaston	Replace	NC0181035	17,020	\$2,508,900	37	\$2,508,900	\$0	\$2,508,900
Town of Plymouth	Washington	Find and replace	NC0494010	3,238	\$1,742,400	34	\$1,742,400	\$0	\$1,742,400
Bessemer City	Gaston	Find and replace	NC0181035	17,020	\$1,499,700	32	\$1,499,700	\$0	\$1,499,700

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	DWSRF-LSLR Principal Forgiveness	DWSRF-LSLR 0% Interest Loans	Total Funding
Fayetteville PWC	Cumberland	Replace	NC0326010	225,000	\$5,005,000	31	\$0	\$5,005,000	\$5,005,000
Town of Plymouth	Washington	Inventory	NC0494010	3,238	\$737,200	29	\$737,200	\$0	\$737,200
AQUA North Carolina	(multiple) <sup>1</sup>	Inventory	(multiple) <sup>2</sup>	6,270	\$938,754	29	\$938,754	\$0	\$938,754
City of Oxford	Granville	Inventory	NC0239010	8,972	\$1,000,000	29	\$1,000,000	\$0	\$1,000,000
Town of Kings Mountain	Gaston	Replace	NC0123020	11,142	\$2,060,000	27	\$2,060,000	\$0	\$2,060,000
Broad River Water Authority	Rutherford	Inventory	NC0181035	17,020	\$1,000,000	27	\$1,000,000	\$0	\$1,000,000
City of Kinston	Lenoir	Find and replace	NC0454010	19,704	\$2,000,000	22	\$2,000,000	\$0	\$2,000,000
City of Winston-Salem	Forsyth	Replace	NC0234010	380,300	\$5,000,000	22	\$0	\$0	\$0 *
City of Winston-Salem	Forsyth	Find and replace	NC0234010	380,300	\$2,000,000	22	\$0	\$2,000,000	\$2,000,000
Town of Dallas	Gaston	Inventory	NC0136035	6,984	\$1,000,000	19	\$1,000,000	\$0	\$1,000,000
Carolina Water Service	(multiple)	Find and replace	(multiple) <sup>3</sup>	40,274	\$2,000,000	10	\$0	\$250,000	\$250,000 **
Town of Waynesville	Haywood	Find and replace	NC0279020	14,583	\$500,000	2	\$0	\$500,000	\$500,000 ***
<b>Total</b>							\$14,486,954	\$7,755,000	\$22,241,954

Rated as Find and Replace project. Not funded as funding cap for Find & Replace is met by another application from same applicant.

\*\* Rated as Inventory project. Award reduced to match budget amount for inventory work.

\*\*\* Reconsideration. Awarded \$2,500,000 in previous round.

<sup>1</sup> Caswell, Durham, Franklin, Granville, Johnston, Person, Rockingham, Vance, Wake

<sup>2</sup> NC0217108; NC0332117; NC0332126; NC0332125; NC0332109; NC0332135; NC0239121; NC0351141; NC0332132; NC0273103; NC0279138; NC0351110; NC0291121; NC0392222; NC0291120; NC0392320; NC0392249; NC0392318; NC0392362; NC0392225; NC0392379; NC0392264; NC0392186; NC4392224; NC0392348; NC0392347; NC0392117

<sup>3</sup> See screenshots from application for list of PWSIDs:

*Table 1: CWSNC Operated Systems and PWS IDs*

WATER SYSTEM	PWS #	WATER SYSTEM	PWS #
Abington	NC0234191	Linville Ridge	NC0106117
Amber Acres	NC0392236	Mason Landing	NC7065035
Amber Acres North	NC0392346	Meadow Glen	NC4392174
Amber Ridge	NC4392182	Merrimon	NC0416198
Amherst	NC0392095	Misty Mountain	NC0114107
Ashley Hills North	NC0392341	Monterrey	NC4392233
Bahia Bay	NC0160203	Mountain Air	NC0100105
Bear Paw Resort	NC0120103	Mt Mitchell Lands	NC0100103
Beechbrook	NC0136106	Neuse Woods	NC0392168
Belvedere Plantation	NC0471111	North River/Mill Creek	NC0416197
Bent Creek	NC0111102	Oakdale Terrace	NC0160171
Blue Ridge Manor Ash Lake-Holiday Ln Sec	NC0105101	Oakes Plantation	NC0392083
Blue Ridge Manor-Nikanor Sect	NC0105104	Olde Lamp Place	NC0136352

Blue Ridge Mnr Ashe Lake Beaver Crk Sec	NC0105109	Olde Point	NC0471112
Blue Ridge Mtn Club	NC3097018	Pinnacle Shores	NC0149188
Bradfield Farms	NC0160264	Powder Horn Mountain	NC0195122
Brandywine Bay	NC0416163	Quail Ridge	NC0353123
Buffalo Creek	NC0351189	Queens Harbor/Pier Point	NC0160249
Carolina Forest	NC0362106	Ransdell Forest	NC0464131
Carolina Trace	NC0353101	River Pointe Estates	NC0160253
Chapel Hill	NC0195108	Riverbend Estates	NC0157108
College Park	NC0136214	Riverwood	NC0351187
Connestee Falls	NC0188104	Rutledge Landing	NC4392228
Country Club Annex	NC0234115	Rutledge Landing North	NC4092085
Country Crossing	NC0392340	Saddlewood	NC0136342
Country Hills/Lemmond Acres	NC0160218	Sandy Trail	NC0392077
Crestview Estates	NC0195128	Sherwood Forest	NC0188116
Crystal Mountain	NC0195110	Sherwood Park	NC0363115
Eagles Crossing	NC4392195	Ski Country	NC0106119
Eastgate	NC0326280	Ski Mountain	NC0195119
Eastwood Forest	NC0160137	Stewarts Ridge	NC0392400
Echota	NC3095002	Stone Hollow	NC0160281
Elk River Club	NC0106118	Suburban Heights	NC0136197
Fairfield Harbour	NC0425132	Sugar Mountain	NC0106107
Fairfield Mountains No 1	NC0181126	Tanglewood Estates	NC0326342
Fairfield Mtns-Apple Valley	NC0181133	Tanglewood South	NC0326367
Fairfield Sapphire	NC0150113	The Ridges at Mountain Harbor	NC0122108
Forest Hills	NC0150107	Treasure Cove	NC0465165

Forestbrook	NC0136205	Tuckahoe	NC0392333
Grandview	NC0234124	Watauga Vista	NC0157125
Harbor House	NC0160211	Waterglyn	NC0156134
Harbour Point	NC0149185	Westwood Forest	NC0160195
Heather Glen	NC0332121	Whispering Pines	NC0363112
Heathfield	NC2060020	White Oak Plantation	NC0351160
Hidden Hollow	NC0392324	Wilders Village	NC0235125
High Meadows	NC0103102	Wildlife Bay	NC0149192
High Meadows / Red Bird Lane	NCSWS	Wildwood Green/McIlwaine	NC0160200
High Vista Estates	NC0145140	Willowbrook	NC0351166
Holly Acres	NC0136148	Winston Plantation	NC4051002
Hound Ears	NC0195112	Winston Pointe	NC4051012
Huntington Forest	NC0160146	Wolf Laurel Resort	NC0158101
Jordan Woods	NC0392099	Wood Trace	NC4392148



### Other Applications and Awards (to be completed in 2025)

Applications will be accepted throughout 2025. The State Water Infrastructure Authority is anticipated to make funding awards of \$51,028,180 (including \$37,338,490 in principal forgiveness) to applicants in the April 2025, July 2025, and September 2025 meetings. An updated Project Priority List will be published after the funding awards to amend the Intended Use Plan.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	IIJA DWSRF-LSLR Principal Forgiveness	IIJA DWSRF-LSLR 0% Interest Loans	Total Funding
To be determined									
TOTALS									

Note: NC DEQ continues to solicit applications from eligible drinking water systems for funding inventory and/or replacement of lead service lines. Applications are accepted year-round, and will be considered for funding in multiple State Water Infrastructure Authority meetings per year.

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Funding tables below this line are currently/were previously presented in previous public comment periods. Projects below are anticipated to be funded from the FY2022 and the FY2023 capitalization grants. However, depending on the projects' timelines, IIJA DWSRF-LSLR disbursements to projects below may come from the FY2024 capitalization grant and hence are included in the FY2024 capitalization grant Intended Use Plan's Project Priority List to cover that possibility.

## Applications and Awards – December 2024 Round

The following applications were awarded IJIA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Nash County	Nash	Inventory	NC0464010	628	\$462,500	35	\$462,500	\$0	\$462,500
Nash County	Nash	Inventory	NC0464035	915	\$817,500	35	\$817,500	\$0	\$817,500
Town of Selma	Johnston	Find and replace	NC0351015	6,190	\$2,000,000	32	\$2,000,000	\$0	\$2,000,000
Nash County	Nash	Inventory	NC0464005	5,881	\$1,000,000	31	\$1,000,000	\$0	\$1,000,000
AQUA North Carolina	multiple <sup>1</sup>	Inventory	multiple <sup>2</sup>	4,593 <sup>3</sup>	\$1,068,674	29	\$1,068,674	\$0	\$1,068,674
Town of Grifton	Pitt	Inventory	NC0474035	2,982	\$837,800	25	\$837,800	\$0	\$837,800
City of Winston-Salem	Forsyth	Find and replace	NC0234010	380,300	\$2,000,000	22	\$2,000,000	\$0	\$2,000,000
City of Reidsville	Rockingham	Inventory	NC279020	14,566	\$500,000	21	\$500,000	\$0	\$500,000
City of Lumberton	Robeson	Inventory	NC0378010	24,460	\$1,000,000	19	\$1,000,000	\$0	\$1,000,000
Town of Dallas	Gaston	Inventory	NC0136065	7,422	\$1,000,000	17	\$0	\$1,000,000	\$1,000,000
City of Lenoir	Caldwell	Inventory	NC0114010	25,573	\$1,000,000	15	\$0	\$1,000,000	\$1,000,000
Town of Waynesville	Haywood	Find and replace	NC0144010	19,758	\$3,000,000	2	\$0	\$2,500,000	\$2,500,000
<b>Total</b>							<b>\$9,686,474</b>	<b>\$4,500,000</b>	<b>\$14,186,474</b>

<sup>1</sup> Cabarrus, Forsyth, Guilford, Randolph, Rowan.

<sup>2</sup> NC0113149; NC0113135; NC0113142; NC0113136; NC0113148; NC0113159; NC0234179; NC0234183; NC0234139; NC0180193; NC0241193; NC0241117; NC0241154; NC0241144; NC0276101; NC0276158; NC0276125; NC0276202; NC0276112; NC0276118; NC0276110; NC0276149; NC0276140; NC0180178; NC0180187; NC0180124; NC0180114; NC0180108; NC0180191; NC0180104; NC0180190; NC0180159.

<sup>3</sup> Estimate only

## Applications and Awards – September 2024 Round

The following applications were awarded IJIA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Fayetteville PWC	Cumberland	Replace	NC0326010	225,000	\$5,005,000	33	\$0	\$5,005,000	\$5,005,000*
Cape Fear Public Utility Authority	New Hanover	Replace	NC0465010	205,385	\$988,844	29	\$988,844	\$0	\$988,844**
Town of Weaverville	Buncombe	Find and Replace	NC0111025	4,567	\$2,000,000	29	\$0	\$2,000,000	\$2,000,000 <sup>x</sup>
Harrells Water Corporation	Sampson	Inventory	NC0382030	1,642	\$53,815	27	\$53,815	\$0	\$53,815
Town of Wrightsville Beach	New Hanover	Find and Replace	NC0465020	5,300	\$2,000,000	25	\$0	\$2,000,000	\$2,000,000
Eastern Pines Water Corporation	Pitt	Inventory	NC0474015	22,230	\$535,000	23	\$535,000	\$0	\$535,000
Fayetteville PWC	Cumberland	Inventory	NC0326010	225,000	\$558,600	23	\$558,600	\$0	\$558,600***
City of Kannapolis	Cabarrus	Inventory	NC0180065	56,000	\$1,000,000	14	\$0	\$1,000,000	\$1,000,000
Town of Topsail Beach	Pender	Inventory	NC0471020	1,421	\$30,000	24	\$0	\$30,000	\$30,000 <sup>x</sup>
<b>Total</b>							<b>\$2,136,259</b>	<b>\$10,035,000</b>	<b>\$12,171,259</b>

\* \$5,000,000 cap exceeded as funds are available

\*\* Reconsideration. Previous award capped at \$5,000,000 of original \$5,988,844 funding request.

\*\*\* \$2,000,000 previously awarded to the project. Applicant reapplied for the unfunded balance.

<sup>x</sup> Funding offer was declined by the Applicant.

## Applications and Awards – July 2024 Round

The following applications were awarded IJIA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Whitakers, Town of	Nash, Edgecombe	Inventory	NC0433040	869	\$60,150	35	\$60,150	\$0	\$60,150
Haw River, Town of	Alamance	Inventory	NC0201020	2,650	\$210,000	31	\$210,000	\$0	\$210,000
Cape Fear Public Utility Authority	New Hanover	Replace	NC0465010	205,385	\$5,988,844	29	\$4,500,000	\$500,000	\$5,000,000
Orange Water and Sewer Authority	Orange	Replace	NC0368010	86,300	\$3,245,000	28	\$0	\$3,245,000	\$3,245,000
Pinebluff, Town of	Moore	Find and Replace	NC0363030	980	\$1,222,700	28	\$1,100,430	\$122,270	\$1,222,700
Liberty, Town of	Randolph	Find and Replace	NC0276025	2,655	\$2,000,000	28	\$1,800,000	\$200,000	\$2,000,000
Newton Grove, Town of	Sampson	Inventory	NC0382035	913	\$66,700	26	\$66,700	\$0	\$66,700
Bessemer City, City of	Gaston	Inventory	NC0136025	5,690	\$780,000	25	\$702,000	\$78,000	\$780,000
Harrells Water Corporation	Sampson	Inventory	NC0382030	1,642	\$100,000	23	\$0	\$0	\$0 *
Fayetteville PWC	Cumberland	Inventory	NC0326010	225,000	\$1,000,000	23	\$900,000	\$100,000	\$1,000,000
Orange Alamance Water Systems	Orange, Alamance	Inventory	NC0368020	9,223	\$231,700	22	\$0	\$231,700	\$231,700
Rocky Mount, City of	Nash, Edgecombe	Find and Replace	NC0464010	54,750	\$2,000,000	22	\$1,800,000	\$200,000	\$2,000,000
Washington, City of	Beaufort	Inventory	NC0407010	10,600	\$460,000	21	\$414,000	\$46,000	\$460,000
Duplin County	Duplin	Inventory	NC0431085	19,050	\$823,190	21	\$740,871	\$82,319	\$823,190
Gastonia, City of	Gaston	Find and Replace	NC0136010	93,877	\$2,000,000	20	\$1,800,000	\$200,000	\$2,000,000
Black Mountain, Town of	Buncombe	Inventory	NC0111020	10,125	\$500,000	20	\$0	\$500,000	\$500,000
Lumberton, City of	Robeson	Inventory	NC0378010	18,841	\$1,000,000	19	\$900,000	\$100,000	\$1,000,000

<b>Applicant Name</b>	<b>County</b>	<b>Project Type</b>	<b>PWSID</b>	<b>Service Population</b>	<b>Funding Amount Requested</b>	<b>Priority Points</b>	<b>BIL DWSRF-LSLR Principal Forgiveness</b>	<b>BIL DWSRF-LSLR 0% Interest Loans</b>	<b>Total Funding</b>
Whitakers, Town of	Nash, Edgecombe	Inventory	NC0433040	869	\$60,150	35	\$60,150	\$0	\$60,150
Haw River, Town of	Alamance	Inventory	NC0201020	2,650	\$210,000	31	\$210,000	\$0	\$210,000
Cape Fear Public Utility Authority	New Hanover	Replace	NC0465010	205,385	\$5,988,844	29	\$4,500,000	\$500,000	\$5,000,000
Orange Water and Sewer Authority	Orange	Replace	NC0368010	86,300	\$3,245,000	28	\$0	\$3,245,000	\$3,245,000
Pinebluff, Town of	Moore	Find and Replace	NC0363030	980	\$1,222,700	28	\$1,100,430	\$122,270	\$1,222,700
Liberty, Town of	Randolph	Find and Replace	NC0276025	2,655	\$2,000,000	28	\$1,800,000	\$200,000	\$2,000,000
Graham, City of	Alamance	Inventory	NC0201015	18,354	\$1,000,000	17	\$0	\$0	\$0 **
Morganton, City of	Burke	Inventory	NC0112015	26,576	\$450,000	15	\$0	\$450,000	\$450,000
Winterville, Town of	Pitt	Inventory	NC0474040	10,615	\$165,000	14	\$0	\$165,000	\$165,000
<b>Total</b>							<b>\$14,994,151</b>	<b>\$6,220,289</b>	<b>\$21,214,440</b>

\* Bypassed for funding for minimum requested Principal Forgiveness not being met.

\*\* Bypassed for funding for minimum requested Principal Forgiveness not being met.

## Applications and Awards – April 2024 Round

The following applications were awarded IJA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

<b>Applicant Name</b>	<b>County</b>	<b>Project Type</b>	<b>PWSID</b>	<b>Service Population</b>	<b>Funding Amount Requested</b>	<b>Priority Points</b>	<b>BIL DWSRF-LSLR Principal Forgiveness</b>	<b>BIL DWSRF-LSLR 0% Interest Loans</b>	<b>Total Funding</b>
Middlesex, Town of	Nash	Inventory	NC0464050	1,350	\$330,000	33	\$280,500	\$49,500	\$330,000
Edenton, Town of	Chowan	Find & Replace	NC0421010	5,500	\$934,000	32	\$560,400	\$373,600	\$934,000
Stantonsburg, Town of	Wilson	Inventory	NC0498025	1,275	\$495,000	31	\$420,750	\$74,250	\$495,000
White Lake, Town of	Bladen	Find & Replace	NC0309030	5,862	\$2,000,000	30	\$1,200,000	\$800,000	\$2,000,000
Aqua North Carolina, Inc.	Catawba, Iredell	Inventory	(multiple) <sup>1</sup>	N/A	\$587,750*	29	\$352,650	\$235,100	\$587,750*
Noth Lenoir Water Corporation	Lenoir	Inventory	NC0454025	15,494	\$627,811	29	\$627,811	\$0	\$627,811
Asheville, City of	Buncombe	Find & Replace	NC0111010	156,720	\$1,998,965	28	\$1,199,379	\$799,586	\$1,998,965
Northampton County	Northampton	Inventory	(multiple) <sup>2</sup>	N/A	\$1,000,000	27	\$850,000	\$150,000	\$1,000,000
Bertie County	Bertie	Inventory	NC0408085	12,893	\$290,000	27	\$246,500	\$43,500	\$290,000
Aqua North Carolina, Inc.	Cumberland	Inventory	(multiple) <sup>3</sup>	N/A	\$394,390*	27	\$236,634	\$157,756	\$394,390*
Coats, Town of	Harnett	Inventory	NC0343020	2,887	\$50,000	25	\$0	\$0	\$0 (bypassed – not eligible for min. PF requested)
Elizabethtown, Town of	Bladen	Inventory	NC0309010	5,311	\$278,920	25	\$167,352	\$111,568	\$278,920
Ocean Isle Beach, Town of	Brunswick	Find & Replace	NC0410035	7,925	\$2,000,000	25	\$0	\$2,000,000	\$2,000,000
Wilson, City of	Wilson	Inventory	NC0498010	50,001	\$1,000,000	21	\$600,000	\$400,000	\$1,000,000
Harnett County	Harnett	Inventory	NC0343045	111,655	\$1,000,000	21	\$600,000	\$400,000	\$1,000,000
Sweptsonville, Town of	Alamance	Inventory	NC3001005	2,456	\$250,000	20	\$0	\$250,000	\$250,000*
Gibsonville, Town of	Guilford	Inventory	NC0241025	8,920	\$420,000	20	\$0	\$420,000	\$420,000
Iredell Water Corporation	Iredell	Inventory	NC0149025	27,173	\$348,620	18	\$209,172	\$139,448	\$348,620

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Graham, City of	Alamance	Inventory	NC0201015	18,057	\$1,000,000	17	\$0	\$0	\$0 (bypassed – not eligible for min. PF requested)
<b>TOTALS</b>					<b>\$15,005,456</b>	<b>-</b>	<b>\$7,551,148</b>	<b>\$6,404,308</b>	<b>\$13,955,456</b>

\* Reconsideration from previous round. Previously awarded \$1,000,000. Only the amount that remained unfunded from the previous funding round is shown in this round. \$278,890 of the funding offer (\$167,334 in principal forgiveness and \$111,556 in 0% interest loans) was declined by the Applicant. Applicant retains \$115,500 of the funding award (\$69,300 in principal forgiveness and \$46,200 in 0% interest loans).

<sup>1</sup> NC0149191, NC0149186, NC0149141, NC0149104, NC2049015, NC0149106, NC2049011, NC0149182, NC0149189, NC0149113, NC0149117, NC0149190, NC0149169, NC0149118, NC0149123, NC0149125, NC0149177, NC0149162, NC0149168, NC0149148, NC0149128, NC0149179, NC0149131, NC0149124, NC0149133, NC0149193, NC0149134, NC2049030, NC2049035, NC0149138, NC0149139, NC2049003, NC0149163, NC0149155, NC2049016, NC2049042, NC0118101, NC0118103, NC0118280, NC0118166, NC0118238, NC0118105, NC0118275, NC0118287, NC0118268, NC0118264, NC0118122, NC0118171, NC0118130, NC0118258, NC0118274, NC0118142, NC0118135, NC0118255, NC0118155, NC0118282, NC0118247, NC0118256.

<sup>2</sup> NC0466108, NC0466001, NC0466110, NC0466113, NC0466045, NC0466002.

<sup>3</sup> NC0326127, NC0326332, NC5026018, NC0326124.

<sup>x</sup> Funding offer was declined by the Applicant.

## Applications and Awards – February 2024 Round

The following applications were awarded IJA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Edenton, Town of	Chowan	Find & Replace	NC0421010	5,500	\$1,676,500	32	\$0	\$0	\$0 (bypassed – not eligible for min. PF requested)
Angier, Town of	Harnett	Find & Replace	NC0343015	10,317	\$1,998,784	28	\$1,199,270	\$799,514	\$1,998,784
Jefferson, Town of	Ashe	Find & Replace	NC0105015	1,450	\$1,942,047	28	\$1,165,228	\$776,819	\$1,942,047
Aqua North Carolina, Inc.	Warren, Surry, Gaston	Inventory	(multiple) <sup>1</sup>	N/A	\$602,180*	31	\$361,308	\$240,872	\$602,180*
Ayden, Town of	Pitt	Inventory	NC0474035	6,366	\$405,040	31	\$504,040	\$0	\$504,040
Magnolia, Town of	Duplin	Inventory	NC0431035	980	\$92,500	31	\$78,625	\$13,875	\$92,500
Aqua North Carolina, Inc.	Catawba, Iredell	Inventory	(multiple) <sup>2</sup>	N/A	\$1,587,750	29	\$600,000	\$400,000	\$1,000,000+
Lake Lure, Town of	Rutherford	Inventory	NC0181020	1,176	\$1,000,000	28	\$1,000,000	\$0	\$1,000,000
Aqua North Carolina, Inc.	Cumberland	Inventory	(multiple) <sup>3</sup>	N/A	\$1,394,390	27	\$600,000	\$400,000	\$1,000,000+x
Farmville, Town of	Pitt	Inventory	NC0474020	8,887	\$633,850	27	\$380,310	\$253,540	\$633,850
Greene County	Greene	Inventory	NC0440106	10,479	\$740,890	27	\$629,757	\$111,134	\$740,890
Richmond County	Richmond	Inventory	NC0377109	22,055	\$500,000	27	\$425,000	\$75,000	\$500,000
Coats, Town of	Harnett	Inventory	NC0343020	2,887	\$50,000	25	\$0	\$0	\$0 (bypassed – not eligible for min. PF requested)
Sampson County	Sampson	Inventory	(multiple) <sup>1</sup>		\$80,000	25	\$68,000	\$12,000	\$80,000
Weldon, Town of	Halifax	Inventory	NC0442020	1,386	\$258,600	25	\$155,160	\$103,440	\$258,600
Gates County	Gates	Inventory	NC0437020	11,621	\$328,000	23	\$114,800	\$213,200	\$328,000
Jason Water Corporation	Greene	Inventory	NC0440022	331	\$43,240	23	\$36,754	\$6,486	\$43,240



Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Saint Pauls, Town of	Robeson	Inventory	NC0378030	2,732	\$75,000	23	\$45,000	\$30,000	\$75,000 <sup>x</sup>
Elizabethtown, Town of	Bladen	Inventory	NC0309010	5,311	\$278,920	21	\$0	\$0	\$0 (bypassed – not eligible for min. PF requested)
Mocksville, Town of	Davie	Inventory	NC0230010	5,991	\$300,000	20	\$0	\$300,000	\$300,000 <sup>x</sup>
Laurinburg, City of	Scotland	Inventory	NC0383010	18,288	\$500,000	19	\$300,000	\$200,000	\$500,000
Reidsville, City of	Rockingham	Inventory	NC0279020	14,807	\$150,000	17	\$90,000	\$60,000	\$150,000
Conover, City of	Catawba	Inventory	NC0118020	15,540	\$500,000	12	\$0	\$500,000	\$500,000
Eden, City of	Rockingham	Find & Replace	NC0279010	15,324	\$527,600	13	\$184,660	\$342,940	\$527,600
<b>TOTALS</b>					<b>\$15,665,291</b>	<b>-</b>	<b>\$7,937,912</b>	<b>\$4,838,820</b>	<b>\$12,776,732</b>

\* Reconsideration from previous round. Previously awarded \$1,000,000. Only the amount that remained unfunded from the previous funding round is shown in this round.

† Awards for Inventory projects limited to \$1 million per funding round. Remainder of funding request to be reconsidered in the next funding round.

<sup>1</sup> NC0293110, NC0293106, NC0293108, NC0293487, NC0293105, NC0293107, NC0293111, NC0286101, NC0286148, NC0286154, NC0286107, NC0286178, NC0286149, NC0286115, NC3086036, NC0286170, NC0286117, NC0286124, NC0286150, NC0286151, NC0136250, NC0136114, NC0136243, NC0136133, NC0136291, NC0136139, NC0136150, NC0136163, NC0136293, NC0136280, NC0136329, NC0136189, NC2036007, NC0136347, NC0136312, NC0136204, NC0136102, NC0136337, NC0136267.

<sup>2</sup> NC0149191, NC0149186, NC0149141, NC0149104, NC2049015, NC0149106, NC2049011, NC0149182, NC0149189, NC0149113, NC0149117, NC0149190, NC0149169, NC0149118, NC0149123, NC0149125, NC0149177, NC0149162, NC0149168, NC0149148, NC0149128, NC0149179, NC0149131, NC0149124, NC0149133, NC0149193, NC0149134, NC2049030, NC2049035, NC0149138, NC0149139, NC2049003, NC0149163, NC0149155, NC2049016, NC2049042, NC0118101, NC0118103, NC0118280, NC0118166, NC0118238, NC0118105, NC0118275, NC0118287, NC0118268, NC0118264, NC0118122, NC0118171, NC0118130, NC0118258, NC0118274, NC0118142, NC0118135, NC0118255, NC0118155, NC0118282, NC0118247, NC0118256.

<sup>3</sup> NC0326127, NC0326332, NC5026018, NC0326124.

<sup>x</sup> Funding offer was declined by the Applicant.

## Applications and Awards – December 2023 Round

The following applications were awarded IJA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Elm City, Town of	Wilson	Inventory	NC0498020	1,450	\$942,000	35	\$942,000	\$0	\$942,000
Hobgood, Town of	Halifax	Inventory	NC0442035	665	\$521,000	33	\$494,950	\$26,050	\$521,000
Aqua North Carolina, Inc.	Warren, Surry, Gaston	Inventory	(multiple) <sup>1</sup>	5,350	\$1,602,180	31	\$700,000	\$300,000	\$1,000,000 <sup>2</sup>
Nashville, Town of	Nash	Inventory	NC0464020	5,600	\$892,500	31	\$624,750	\$267,750	\$892,500 <sup>x</sup>
Norwood, Town of	Stanly	Find & Replace	NC0184015	4,229	\$2,000,000	29	\$2,000,000	\$0	\$2,000,000
Williamston, Town of	Martin	Inventory	NC0459010	7,650	\$490,000	29	\$465,500	\$24,500	\$490,000
Woodland, Town of	Northampton	Inventory	NC0466040	767	\$200,000	29	\$140,000	\$60,000	\$200,000
Newton, City of	Catawba	Find & Replace	NC0118015	17,592	\$1,998,000 <sup>3</sup>	28	\$1,398,600	\$599,400	\$1,998,000
Aqua North Carolina, Inc.	Cumberland, Hoke	Inventory	(multiple) <sup>4</sup>	34,047	\$603,300 <sup>3</sup>	27	\$361,980	\$241,320	\$603,300
Hookerton, Town of	Greene	Inventory	NC0440020	409	\$420,000	27	\$252,000	\$168,000	\$420,000
Rose Hill, Town of	Duplin	Inventory	NC0431025	1,867	\$200,000	27	\$120,000	\$80,000	\$200,000
Snow Hill, Town of	Greene	Inventory	NC0440010	2,657	\$482,000	25	\$289,200	\$192,800	\$482,000
Burgaw, Town of	Pender	Inventory	NC0471010	4,250	\$53,950	23	\$32,370	\$21,580	\$53,950
Burnsville, Town of	Yancey	Inventory	NC0100010	4,069	\$360,000	23	\$126,000	\$234,000	\$360,000
Elizabethtown, Town of	Bladen	Inventory	NC0309010	5,311	\$278,920	21	\$0	\$0	\$0 (Bypassed – not eligible for min. PF requested)
Valdese, Town of	Burke	Inventory	NC0112010	13,571	\$500,000	19	\$300,000	\$200,000	\$500,000
Orange Water and Sewer Authority	Orange	Inventory	NC0368010	86,300	\$1,000,000	18	\$0	\$1,000,000	\$1,000,000
Maiden, Town of	Catawba	Inventory	NC0118030	5,441	\$500,000	14	\$0	\$500,000	\$500,000 <sup>x</sup>

<b>Applicant Name</b>	<b>County</b>	<b>Project Type</b>	<b>PWSID</b>	<b>Service Population</b>	<b>Funding Amount Requested</b>	<b>Priority Points</b>	<b>BIL DWSRF-LSLR Principal Forgiveness</b>	<b>BIL DWSRF-LSLR 0% Interest Loans</b>	<b>Total Funding</b>
Asheboro, City of	Randolph	Inventory	NC0276010	27,191	\$1,000,000	13	\$0	\$1,000,000	\$1,000,000
<b>TOTALS</b>					<b>\$14,043,850<sup>5</sup></b>		<b>\$8,247,350</b>	<b>\$4,915,400</b>	<b>\$13,162,750</b>

<sup>1</sup> NC0293110, NC0293106, NC0293108, NC0293487, NC0293105, NC0293107, NC0293111, NC0286101, NC0286148, NC0286154, NC0286107, NC0286178, NC0286149, NC0286115, NC3086036, NC0286170, NC0286117, NC0286124, NC0286150, NC0286151, NC0136250, NC0136114, NC0136243, NC0136133, NC0136291, NC0136139, NC0136150, NC0136163, NC0136293, NC0136280, NC0136329, NC0136189, NC2036007, NC0136347, NC0136312, NC0136204, NC0136102, NC0136337, NC0136267.

<sup>2</sup> Awards for Inventory projects limited to \$1 million per funding round. Remainder of funding request to be reconsidered in the next funding round.

<sup>3</sup> Only the funding request amount that remained unfunded from the previous funding round is shown in this round.

<sup>4</sup> NC0326122, NC0326286, NC0326127, NC0326337, NC0326375, NC0326124, NC0326341, NC0326365, NC0326332, NC0326143, NC0326300, NC5026018, NC0347112.

<sup>5</sup> Includes \$2,601,300 reconsidered from the previous funding round due to receiving a partial award.

<sup>x</sup> Funding offer was declined by the Applicant.

## Applications and Awards – September 2023 Round

The following applications were awarded IJA DWSRF-LSLR funding initially from the FY2022 and/or FY2023 capitalization grants.

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Maysville, Town of	Jones	Inventory	NC0452010	1,001	\$73,300	33	\$73,300	\$0	\$73,300
Walstonburg, Town of	Greene	Inventory	NC0440030	236	\$40,700	33	\$40,700	\$0	\$40,700
Jonesville, Town of	Yadkin	Find & Replace	NC0299010	2,513	\$1,854,000	32	\$1,761,300	\$92,700	\$1,854,000
Princeton, Town of	Johnston	Inventory	NC0351050	1,396	\$76,050	31	\$72,248	\$3,802	\$76,050
Granite Falls, Town of	Caldwell	Replace	NC0114030	3,293	\$3,998,000	29	\$2,798,600	\$1,199,400	\$3,998,000
Ansonville, Town of	Anson	Inventory	NC0304012	625	\$68,650	29	\$48,055	\$20,595	\$68,650
Newton, City of	Catawba	Find & Replace	NC0118015	17,592	\$3,998,000	28	\$1,400,000	\$600,000	\$2,000,000 <sup>1</sup>
Burke County	Burke	Inventory	NC0112065	90,148	\$200,000	27	\$190,000	\$10,000	\$200,000 <sup>x</sup>
Jonesville, Town of	Yadkin	Inventory	NC0299010	2,513	\$400,000	27	\$380,000	\$20,000	\$400,000
Aqua North Carolina, Inc.	Cumberland, Hoke	Inventory	(multiple) <sup>2</sup>	34,047	\$1,603,300	27	\$700,000	\$300,000	\$1,000,000 <sup>3</sup>
Asheville, City of	Buncombe	Find & Replace	NC0111010	92,328	\$1,995,500	26	\$1,396,850	\$598,650	\$1,995,500
Cape Fear Public Utility Authority	New Hanover	Replace	NC0465010	122,162	\$4,161,150	25	\$2,912,805	\$1,248,345	\$4,161,150
Dunn, City of	Harnett	Inventory	NC0343010	9,738	\$500,000	25	\$300,000	\$200,000	\$500,000
Pine Level, Town of	Johnston	Inventory	NC0351040	2,188	\$113,150	25	\$67,890	\$45,260	\$113,150
Ranlo, Town of	Gaston	Inventory	NC0136034	3,643	\$400,000	25	\$240,000	\$160,000	\$400,000
Smithfield, Town of	Johnston	Inventory	NC0351010	12,697	\$498,880	25	\$299,328	\$199,552	\$498,880
Troy, Town of	Montgomery	Find & Replace	NC0362020	3,293	\$1,968,213	24	\$1,180,928	\$787,285	\$1,968,213
Boonville, Town of	Yadkin	Inventory	NC0299020	1,404	\$80,850	24	\$0	\$80,850	\$80,850 <sup>x</sup>
Pittsboro, Town of	Chatham	Inventory	NC0319015	4,221	\$499,380	24	\$499,380	\$0	\$499,380
West Jefferson, Town of	Ashe	Find & Replace	NC0105010	1,767	\$1,173,300	23	\$0	\$1,173,300	\$1,173,300 <sup>x</sup>

<b>Applicant Name</b>	<b>County</b>	<b>Project Type</b>	<b>PWSID</b>	<b>Service Population</b>	<b>Funding Amount Requested</b>	<b>Priority Points</b>	<b>BIL DWSRF-LSLR Principal Forgiveness</b>	<b>BIL DWSRF-LSLR 0% Interest Loans</b>	<b>Total Funding</b>
Baton Water Corporation	Caldwell	Inventory	NC0114025	7,112	\$449,060	23	\$269,436	\$179,624	\$449,060
Burgaw, Town of	Pender	Inventory	NC0471010	4,101	\$53,950	23	\$0	\$0	\$0 (Bypassed – not eligible for min. PF requested)
Fayetteville Public Works Commission	Cumberland	Inventory	NC0326010	211,201	\$1,000,000	23	\$600,000	\$400,000	\$1,000,000
Elizabeth City, City of	Pasquotank	Inventory	NC0470010	17,725	\$1,000,000	23	\$600,000	\$400,000	\$1,000,000
Newton, City of	Catawba	Inventory	NC0118015	17,592	\$400,000	23	\$240,000	\$160,000	\$400,000
Roseboro, Town of	Sampson	Inventory	NC0382015	1,048	\$100,000	23	\$0	\$0	\$0 (Bypassed – not eligible for min. PF requested)
Benson, Town of	Johnston	Inventory	NC0351025	3,843	\$250,000	23	\$150,000	\$100,000	\$250,000 <sup>x</sup>
Walnut Cove, Town of	Stokes	Inventory	NC0285015	2,088	\$359,540	23	\$215,724	\$143,816	\$359,540
Marion, City of	McDowell	Inventory	NC0156010	7,853	\$495,800	23	\$297,480	\$198,320	\$495,800
Onslow Water and Sewer Authority	Onslow	Inventory	NC0467035	198,377	\$1,000,000	21	\$600,000	\$400,000	\$1,000,000
Anson County	Anson	Inventory	NC0304010	24,430	\$1,000,000	21	\$600,000	\$400,000	\$1,000,000
Kinston, City of	Lenoir	Inventory	NC0454010	20,173	\$1,000,000	21	\$600,000	\$400,000	\$1,000,000
Hendersonville, City of	Henderson	Find & Replace	NC0145010	14,020	\$573,420	20	\$344,052	\$229,368	\$573,420
Henderson, City of	Vance	Inventory	NC0291010	15,127	\$1,000,000	19	\$600,000	\$400,000	\$1,000,000
Sanford, City of	Lee	Inventory	NC0353010	19,758	\$1,000,000	19	\$600,000	\$400,000	\$1,000,000
Clinton, City of	Sampson	Inventory	NC0382010	8,480	\$446,720	19	\$268,032	\$178,688	\$446,720
Troy, Town of	Montgomery	Inventory	NC0362020	3,293	\$389,020	19	\$233,412	\$155,608	\$389,020
Valdese, Town of	Burke	Inventory	NC0112010	4,420	\$500,000	19	\$0	\$0	\$0 (Bypassed – not eligible for min. PF requested)

Applicant Name	County	Project Type	PWSID	Service Population	Funding Amount Requested	Priority Points	BIL DWSRF-LSLR Principal Forgiveness	BIL DWSRF-LSLR 0% Interest Loans	Total Funding
Granite Falls, Town of	Caldwell	Inventory	NC0114030	3,293	\$400,000	19	\$240,000	\$160,000	\$400,000
Lenoir, City of	Caldwell	Inventory	NC0114010	17,909	\$500,000	17	\$0	\$500,000	\$500,000
Conover, City of	Catawba	Inventory	NC0118020	8,488	\$500,000	17	\$0	\$0	\$0 (Bypassed – not eligible for min. PF requested)
Belmont, City of	Gaston	Inventory	NC0136015	12,292	\$499,740	16	\$299,844	\$199,896	\$499,740
Durham, City of	Durham	Inventory	NC0332010	276,341	\$1,000,000	15	\$600,000	\$400,000	\$1,000,000
Fuquay-Varina, Town of	Wake	Inventory	NC0392055	29,110	\$500,000	14	\$0	\$500,000	\$500,000 <sup>x</sup>
<b>TOTALS</b>					<b>\$38,119,673</b>		<b>\$21,719,364</b>	<b>\$12,645,059</b>	<b>\$34,364,423</b>

<sup>1</sup> Awards for Find & Replace projects limited to \$2 million per funding round. Remainder of funding request to be reconsidered in the next funding round.

<sup>2</sup> NC0326122, NC0326286, NC0326127, NC0326337, NC0326375, NC0326124, NC0326341, NC0326365, NC0326332, NC0326143, NC0326300, NC5026018, NC0347112.

<sup>3</sup> Awards for Inventory projects limited to \$1 million per funding round. Remainder of funding request to be reconsidered in the next funding round.

<sup>x</sup> Funding offer was declined by the Applicant.

### Summary of LSLR Funding Rounds (updated February 2025)

	Funding Amount Requested (including amounts considered over multiple funding periods)	Principal Forgiveness Awarded	0% Interest Loans Awarded	Total Funding Awarded
September 2023	\$38,119,673	\$21,719,364	\$12,645,059	<b>\$34,364,423</b>
December 2023	\$14,043,850	\$8,247,350	\$4,915,400	<b>\$13,162,750</b>
February 2024	\$15,665,291	\$7,937,912	\$4,838,820	<b>\$12,776,732</b>
April 2024	\$15,005,456	\$7,551,148	\$6,404,308	<b>\$13,955,456</b>
July 2024	\$23,303,284	\$14,994,151	\$6,220,289	<b>\$21,214,440</b>
September 2024	\$12,171,259	\$2,136,259	\$10,035,000	<b>\$12,171,259</b>
Applicant declined funding from Sept. 2023 – Sept. 2024 funding awards		(\$1,777,084)	(\$5,753,456)	<b>(\$7,530,540)</b>
December 2024	\$14,686,474	\$9,686,474	\$4,500,000	<b>\$14,186,474</b>
February 2025	\$28,991,954	\$14,486,954	\$7,755,000	<b>\$22,241,954</b>
<b>TOTALS (excluding declined awards)</b>	<b>\$161,987,241</b>	<b>\$84,982,528</b>	<b>\$51,560,420</b>	<b>\$136,542,948</b>
<b>Minimum funding available</b> for projects from the: FY2022 BIL DWSRF-LSLR capitalization grant FY2023 BIL DWSRF-LSLR capitalization grant <b>Total FY2022 &amp; FY2023 capitalization grants</b>		\$42,660,380 \$42,772,100 <b>\$85,432,480</b>	\$24,377,360 \$21,822,500 <b>\$46,199,860</b>	\$67,037,740 \$64,594,600 <b>\$131,632,340</b>
<b>Awarded from the FY2024 capitalization grant</b>		<b>\$0</b>	<b>\$5,360,560</b>	<b>\$5,360,560</b>
<b>Minimum funding available from the FY2024 capitalization grant</b>		<b>\$37,338,490</b>	<b>\$19,050,250</b>	<b>\$56,388,740</b>

## Appendix C

### 2024 IIJA DWSRF-LSLR Proposed Payment Schedule

(Dependent on timing of award of federal grant)

This proposed schedule may be updated in the final Intended Use Plan.

<u>Payment Quarter</u>	<u>2023 IIJA DWSRF- LSLR Payment Amount</u>
April 1, 2025 – June 30, 2025	
July 1, 2025 - September 30, 2025	
October 1, 2025 - December 31, 2025	
January 1, 2026 - March 31, 2026	\$20,000,000
April 1, 2026 - June 30, 2026	
July 1, 2026 - September 30, 2026	
October 1, 2026 - December 31, 2026	
January 1, 2027 - March 31, 2027	\$20,000,000
April 1, 2027 - June 30, 2027	
July 1, 2027 - September 30, 2027	
October 1, 2027 - December 31, 2027	
January 1, 2028 - March 31, 2028	\$20,000,000
April 1, 2028 - June 30, 2028	
July 1, 2028 - September 30, 2028	
October 1, 2028 - December 31, 2028	
January 1, 2029 - March 31, 2029	\$16,201,000
April 1, 2029 - June 30, 2029	
July 1, 2029 - September 30, 2029	
October 1, 2029 - December 31, 2029	
Total	\$76,201,000



## Appendix D

### PRIORITY RATING SYSTEM for Lead Service Line Replacement Projects

Finalized by the Authority in April 2024 after a public comment period was completed between March 1 – April 1, 2024. **No changes are proposed to the Priority Rating System.**

The following PRS applies to projects where the entire project scope is eligible for LSLR funds.

<b>Proposed 2025 PRIORITY RATING SYSTEM for Lead Service Line Replacement Projects Eligible for IJJA DWSRF-LSLR Funds</b>			
<i>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 number of points allowed that may be less than the total sum of individual line items.</i>			
Line Item #	Category 1 – Project Purpose (Points will be awarded for <u>only one</u> Project Purpose)	Claimed Yes/No	Points
1.A	Project eliminates lead service lines (100% of project is to replace known lead service lines) <b>OR</b>		20
1.B	Project establishes and implements a program to find and replace lead service lines in areas suspected to have lead service lines <b>OR</b>		15
1.C	Project inventories lead service lines (no replacement)		10
<b>Maximum points for Category 1 – Project Purpose</b>			20
<b>Subtotal claimed for Category 1 – Project Purpose</b>			
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	Points
2.A	Project addresses/resolves documented Lead Action Level Exceedance <b>OR</b>		5
2.B	Project area has documented Lead Action Level Exceedance		2
<b>Maximum points for Category 2 – Project Benefits</b>			5
<b>Subtotal claimed for Category 2 – Project Benefits</b>			
Line Item #	Category 3 – System Management	Claimed Yes/No	Points
	Reserved for future consideration		
<b>Maximum points for Category 3 – System Management</b>			0
<b>Subtotal claimed for Category 3 – System Management</b>			N/A

<b>Proposed 2025 PRIORITY RATING SYSTEM for Lead Service Line Replacement Projects Eligible for IJJA DWSRF-LSLR Funds</b>			
<b>Line Item #</b>	<b>Category 4 – Affordability</b>	<b>Claimed Yes/No</b>	<b>Points</b>
<b>4.A</b>	Residential Connections		
4.A.1	Less than 10,000 residential connections <b>OR</b>		2
4.A.2	Less than 5,000 residential connections <b>OR</b>		4
4.A.3	Less than 1,000 residential connections		8
<b>4.B</b>	Current Monthly Combined Utility Rates at 5,000-gallon Usage		
4.B.1	Greater than the 50 <sup>th</sup> percentile <b>OR</b>		4
4.B.2	Greater than the 70 <sup>th</sup> percentile <b>OR</b>		6
4.B.3	Greater than the 85 <sup>th</sup> percentile <b>OR</b>		8
4.B.4	Greater than the 95 <sup>th</sup> percentile		10
<b>4.C</b>	Local Government Unit (LGU) Indicators		
4.C.1	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		3
4.C.2	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		5
4.C.3	5 out of 5 LGU indicators worse than state benchmark <b>OR</b>		7
4.C.4	Project benefits disadvantaged areas		5
<b>Maximum points for Category 4 – Affordability</b>			25
<b>Subtotal claimed for Category 4 – Affordability<sup>‡</sup></b>			
<b>Total of Points for All Categories</b>			

<sup>‡</sup>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 E

### Grant Percentage Matrix

<b>Table 4. Proposed Step 4 (Affordability Matrix)<sup>1</sup></b>				
<b>Percentile Ranges for grant eligibility categories</b>	<b>Combined Monthly Bills<sup>2</sup> based on 2024 data (\$/5000 gallons)</b>	<b>% Grant or PF</b>	<b>Combined Monthly Bills + Project cost per customer per month<sup>3</sup> based on 2024 data (\$/5000 gallons)</b>	<b>% Grant or PF</b>
> 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%
<sup>1</sup> 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. <sup>2</sup> Single utility providers may divide by 0.4 for water or 0.6 for sewer applicant for calculating a combined monthly bill. <sup>3</sup> 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.