

State Water Infrastructure Authority
Meeting Date: February 18, 2026
Agenda Item I
Fall 2025 Application Round, Example Funding Scenarios, and Funding Decisions
for Drinking Water and Wastewater

Division of Water Infrastructure Staff Report

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

Background

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

Summary of Applications Received

Fall 2025 applications were due September 30, 2025. Excluding applications for the Community Development Block Grant-Infrastructure (CDBG-I) program, a total of 126 applications were submitted. Five of the applications were incomplete and ineligible for consideration. An additional 36 unfunded Spring 2025 drinking water, wastewater, and Asset Inventory and Assessment (AIA) applications were reconsidered as part of this round. A summary of the number of drinking water and wastewater applications considered in funding recommendations covered in this staff report is shown in Table 1. The funding requested for construction projects far exceeds the amount of available funds for this round.

Table 1. Number of Applications including Reconsiderations Considered for Funding ^a						
Category	CDBG-I ^b	Drinking Water	Wastewater	AIA	MRF	Total
Incomplete/Ineligible	3	1	2	1	1	8
Complete and Eligible Applications						
New applications	3	35	46	32	8	121
Spring 2025 Reconsiderations	0	13	18	5	0	36
Total Applications Considered	3	48	64	37	8	160
Funding Requested	\$8,000,000	\$670,489,128	\$1,061,069,558	\$6,735,000	\$1,432,500	\$1,747,726,186

^a Only projects considered as part of the Fall 2025 funding round are included in this table. Projects considered on a rolling basis are not part of this table or staff report.

^b CDBG-I applications are discussed in greater detail in Agenda Item H.

Table 2 shows a comparison of funding requested from complete and eligible applications (including Spring 2025 applications that were not funded or fully funded and are reconsidered in this round) and the amount of funding available from the sources above. Table 2 includes number of applications and funding availability from the Community Development Block Grant-Infrastructure (CDBG-I) program, which is covered in Agenda Item H.

Table 2. Comparison of Funding Requested from Complete and Eligible Applications (including Spring 2025 Reconsiderations) and Amount of Funding Available							
Application Type	No. of Apps.	Total Requests	Approximate Amount Available ¹				
Community Development Block Grant – Infrastructure (CDBG-I)	3	\$8,000,000	CDBG-I Grant: \$19M				
Drinking Water Projects	48	\$670,489,128	DWSRF Loan ¹ : \$75 M	IIJA DWSRF-EC ² : \$8.658M	State Reserves Grant: \$30M	State Reserve Loans: \$65M	Viable Utility Reserve: \$60M
Wastewater Projects	64	\$1,061,069,558	CWSRF Loan ¹ : \$100 M	IIJA CWSRF-EC ² : \$ 2.127M			
Asset Inventory & Assessment Grants (AIA)	37	\$6,735,000					
Merger/Regionalization Feasibility Grants (MRF)	8	\$1,432,500					
Total:	160	\$1,747,726,186	Approximately \$360 M				

¹ Including Principal Forgiveness (PF).

² IIJA Emerging Contaminant funds are for Construction projects only and are offered as 100 percent PF.

Fall 2025 Funds Available

This staff report does not include information about funding from the SRF Supplemental Appropriation for Hurricanes Helene and Milton and Hawai'i Wildfires (SRF Helene) funds¹, the IIJA DWSRF-Lead Service Line Replacement funds², the DWSRF-EC and CWSRF-EC for Evaluation/Assessment "Study" projects³, or the Community Development Block Grant-Infrastructure (CDBG-I) grants⁴.

The following funds, described in this staff report, are available for the Fall 2025 Application Round:

- Clean Water State Revolving Funds (CWSRF) and Drinking Water State Revolving Funds (DWSRF) are available to local government units (LGUs) and nonprofit water corporations (and investor-owned drinking water corporations for the DWSRF) in the form of low-interest loans and Principal Forgiveness (PF). The State Revolving Fund (SRF) amounts in this staff report include a portion of the IIJA General Supplemental funds for the CWSRF and DWSRF programs. Approximately \$14 million of the \$100 million of available CWSRF loans and \$21 million of the \$75 million of available DWSRF loans can be provided as Principal Forgiveness in this funding round to satisfy federal capitalization grant requirements.

Federal requirements specify that at least ten percent of the annual CWSRF capitalization grant shall be used for eligible Green Projects, if applications are available. Federal requirements also specify that at least 15 percent of the DWSRF loans shall be used for providing funding assistance to small water systems, although North Carolina's Intended Use Plan (IUP) requires a minimum of 30 percent for this use. The Authority may consider the additional information provided in the wastewater project applications for determining funding commitments for the CWSRF. Funding decisions for the DWSRF must be based on the prioritization system.

- The IIJA funds for Emerging Contaminants (DWSRF-EC and CWSRF-EC), which are dedicated funds to address PFAS contamination, are described as separate funds. In this staff report, DWSRF-EC and CWSRF-EC funds available only for *construction* projects are included (see Agenda Item G for EC funds available for Evaluation/Assessment "Study" project). IIJA funds for DWSRF-EC and CWSRF-EC projects are available to LGUs and nonprofit water corporations (and investor-owned drinking water corporations for the DWSRF-EC) in the form of Principal Forgiveness. The EC funds include a reserve of 50 percent of the available funds to support evaluation/assessment (i.e., "study" or planning) projects if there is enough demand for planning projects. IIJA DWSRF-EC funding is limited to \$5 million per applicant for construction projects across all federal grants from FY2022 through FY2026, starting on August 1, 2025. IIJA CWSRF-EC projects do not have funding limits but have a 50 percent reserve for evaluation/assessment projects.⁵

¹ See Agenda Item E.

² See Agenda Item F.

³ See Agenda Item G.

⁴ See Agenda Item H.

⁵ DWI did not receive any IIJA-CWSRF-EC construction projects during the Fall 2025 round or any IIJA CWSRF-EC study projects between November 4, 2025 and January 9, 2026 (EC study projects are rolling applications).

Projects that address PFAS contamination may be eligible for the IJIA Emerging Contaminants funds and other funding programs such as the SRFs or State Reserves. The IJIA Emerging Contaminants funds have unique priority rating systems (PRSs) that are separate from the PRSs for other drinking water and wastewater construction projects approved by the Authority. Funding spreadsheets prioritizing projects are provided for regular SRF projects and EC-eligible projects.

- Loans from the State Reserve Program (SRP) for drinking water and wastewater projects are available for construction projects for the Fall 2025 application round. Local government units and non-profit water/wastewater companies are eligible to receive SRP loans. Loans from the SRP are limited by statute to \$3 million per eligible applicant every three fiscal years for targeted interest rates and \$3 million per fiscal year.
- Grants from the State Reserve Program for drinking water and wastewater projects are available for construction and planning projects for the Fall 2025 application round. Local government units and non-profit water/wastewater companies are eligible to receive SRP grants. SRP grants for drinking water and wastewater construction projects are limited by statute to \$3 million per eligible applicant every three fiscal years.

S.L. 2025-26, Section 3.6, requires SRP grant funds to be prioritized during FY 2025-2026 for eligible applicants for the repair, replacement, or construction of equipment, buildings, or natural features due to damage or effects from Hurricane Helene, including capacity-building, and that the amount of funds requested is the amount of unmet need above the amount paid by insurance and available federal aid. Eligible applicants are LGUs and non-profit water/wastewater utilities that are in the counties designated by the U.S. Department of Housing and Urban Development as the most impacted and distressed counties from Hurricane Helene and have a County population less than 300,000. These counties include Ashe, Avery, Buncombe, Burke, Caldwell, Cleveland, Haywood, Henderson, Madison, McDowell, Mitchell, Polk, Rutherford, Transylvania, Watauga, and Yancey.

Once all S.L. 2025-26 prioritized construction projects are funded with SRP grants up to the eligibility amounts, any remaining SRP grant funds will be used to fund asset inventory and Assessment (AIA) and Merger/Regionalization Feasibility (MRF) applications.

- Grants from the SRP for AIAs are limited only to drinking water or wastewater systems serving up to 10,000 residential connections. SRP grants for AIAs are limited to \$150,000 per eligible applicant every three years for each type of service. SRP grants for MRFs are limited to \$50,000 per eligible applicant every three years for each type of service.
- Grants from the Viable Utility Reserve (VUR) for drinking water and wastewater projects are available for construction and planning projects for the Fall 2025 application round. VUR grants are provided to benefit LGUs that have been designated as Distressed by the Authority and Local Government Commission (LGC). These LGUs are eligible to receive up to \$15 million of grant funding from the VUR for eligible study grants and construction projects⁶. Any VUR funds received by these LGUs, including ARPA funds, will count toward this limit. For the Fall 2025 funding round, up to \$5 million is made available for eligible planning projects. If

⁶ See G.S. 159G-32(d)(1)-(5) for information on what types of projects are eligible for VUR funding.

demand for planning projects is less than \$5 million, the remaining VUR funds are made available for construction projects. VUR funding is limited to \$400,000 per eligible LGU for any combination of AIA, MRF, and/or Rate Study planning project. VUR grants for construction projects are recommended only for projects that would assist the Distressed utility in achieving viability, as was requested by the Authority in a previous meeting.

Table 3 provides a summary of construction project applications meeting criteria previously identified by the Authority. The table does not provide information on all PRS line items.

Table 3. Summary of Project Applications by Characteristics and Receiving Specific Priority Rating System Points										
Project Type (excluding CDBG-I)	Parameter Type									
	Total	Local Government Unit Designated as Distressed	Consolidate a Non-Viable Utility^a	Failing Infrastructure^b	Rehab/Replace Old Infrastructure^c	Provide Service to Disadvantaged Areas^d	Address Enforcement Document^e	Merger/ Regionalization^{f,†}	Emerging Contaminants^{g,†}	Resiliency^h
Drinking Water	48	16	0	0	21	1	1	2	9	3
Wastewater	64	30	0	0	41	2	14	2	0	19
Total	112	46	0	0	62	3	15	4	9	22

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

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

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

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

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

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

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

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

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

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

Example Funding Scenario for SRF, IJIA EC Construction, SRP, and VUR Funds

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, that would satisfy the requirements and limitations stated above, until available funds are exhausted. The order of funding is as follows:

- Apply SRP grants to eligible construction projects that meet the S.L. 2025-26 Section 3.6 prioritization for Helene-affected applicants, up to the statutory grant limit of \$3 million.
- Apply remaining SRP grants to eligible MRF projects with up to \$50,000 per recipient per drinking water or wastewater system. Apply VUR grants instead of SRP grants if the requested amount exceeds \$50,000 and the applicant is eligible for VUR grants while maintaining a Fall 2025 cap of \$400,000 per applicant for any combination of AIA, MRF, and/or Rate Study project.
- Apply remaining SRP grants to eligible AIA projects with up to \$150,000 per recipient per drinking water or wastewater system. Apply VUR grants instead of SRP grants if the requested amount exceeds \$150,000 and the applicant is eligible for VUR grants while maintaining a Fall 2025 cap of \$400,000 per applicant for any combination of AIA, MRF, and/or Rate Study project.
- Apply IJIA DWSRF-EC to eligible construction projects using the DWSRF-EC Priority Rating Systems, up to the limit of \$5 million per applicant from the FY 2022-FY2026 IJIA DWSRF-EC cap grants, until all available EC funds in this round are exhausted.⁷
- Apply VUR grants to drinking water and wastewater construction projects for eligible projects up to the statutory \$15 million lifetime VUR limit, accounting for previous VUR grant awards to each local government unit.
- Apply DWSRF and CWSRF Principal Forgiveness (up to an initial cap of \$500,000) and SRF loan funds to eligible projects until awarded funds meet SRF loan funds available.
- Apply SRP loans to eligible construction projects up to the statutory limits of \$3 million until funds are exhausted.
- Adjust recommendations to the DWSRF scenario to meet the minimum 30 percent loan assistance to small water systems. Some high-scoring, high dollar amount applications are from medium to larger systems and had to be bypassed to meet the 30 percent reserve. Some drinking water projects also received a combination of PF with their VUR grant funds to meet the small systems reserve requirements.
- Adjust recommendations to the CWSRF to meet the minimum ten-percent capitalization grant Green Project Reserve (GPR) loan assistance. For the Fall 2025 application round, none of CWSRF applications met the GPR criteria.

⁷ No IJIA CWSRF-EC construction applications were received for the Fall 2025 round.

- Apply any additional available PF in \$500,000 increments to projects receiving SRF funds and that qualify for PF, up to PF eligibility, starting with the highest-scoring application receiving SRF funds.
- Apply the rest of SRF loan and PF funds to the next eligible projects in priority order to fully utilize all available funds.

In the example funding scenario presented, eight MRF grants (\$950,000), 32 AIAs (\$5,150,000), two drinking water EC construction projects (\$8,658,880), 32 drinking water construction projects (\$124,283,300), and 36 wastewater construction projects (\$203,552,595) would receive loan, PF, and/or grant funding from the SRFs, SRP, and VUR, totaling \$342,594,775 in funding assistance. Table 4 summarizes the example funding scenario.

Table 4. Example Funding Scenario for Fall 2025 Funding

Project Types	Complete and Eligible Applications considered	Applications in example funding scenario	Potential VUR grants	Potential SRP Grants	Potential SRP Loans	Potential SRF Principal Forgiveness (including IIJA EC)	Potential SRF loans	Potential Total Funding
MRF	8	8	\$700,000	\$250,000				\$950,000
AIA	37	32	\$980,000	\$4,170,000				\$5,150,000
Drinking Water Construction (including EC) ¹	48	32	\$4,087,837	\$6,170,630	\$36,852,000	\$31,943,076	\$53,888,637	\$132,942,180
Wastewater Construction (No EC application received)	64	36	\$52,869,097	\$20,925,270	\$29,337,842	\$14,035,019	\$86,385,367	\$203,552,595
Total	157	108	\$58,636,934	\$31,515,900	\$66,189,842	\$45,978,095	\$140,274,004	\$342,594,775

¹Includes 2 EC applications funded from the IIJA DWSRF-EC.

Project-Specific Notes for Applications in the Example Funding Scenario

MRF Applications for Funding

- One application was ineligible for consideration because the applicant did not include support letters from the partnering system(s). There were no reconsidered applications from Fall 2024.
- All eight eligible MRF applications are shown as funded in the funding scenario, of which five were submitted by four Distressed LGUs (Milton, Stanly County, Greenevers, Princeton), one application was submitted to support multiple Distressed utilities (Beaufort County), and one application included wastewater systems in the Governor's Hurricane Helene disaster declaration area (Tuckasegee Water and Sewer Authority).
- Seven of the eight MRF applications considered are shown as fully funded in the funding scenario. The exception is the Town of Princeton's "Princeton MRF" which included requests for \$400,000 and \$857,500. The MRF grant limit under the VUR is \$400,000.
- Of the 30 LGUs either applying for or committing to partner on an MRF, 14 (47 percent) are Distressed.
- The Town of Milton (Distressed) applied to investigate long-term drinking water management and capacity options with the Town of Yanceyville and/or The City of Danville (Virginia).
- Beaufort County applied for both water and wastewater in a single application, and the project includes six partner LGUs, of which five are Distressed (Aurora, Bath, Belhaven, Chocowinity, and Washington).
- Stanly County (Distressed) applied separately for wastewater and drinking water with the Town of Stanfield.
- The Town of Princeton (Distressed) applied for both water and wastewater in a single application, and the project includes five partner LGUs, of which two are Distressed (Kenly and Micro).
- Tuckasegee Water and Sewer Authority applied to investigate resilient, cost-effective, and environmentally protective wastewater sludge management among seven partner LGUs in southwestern North Carolina, of which three are Distressed (Andrews, Bryson City, and Waynesville).

AIA Applications for Funding

- *Applications:* The Division received 35 new applications, of which one was incomplete and not considered. There were three applications from Fall 2024 that were reconsidered, totaling 37 complete and eligible applications.
- *Funding Summary:* 32 (86 percent) of the 37 eligible AIA applications are shown as funded in the funding scenario: 28 through the SRP and four through VUR. The last funded application scored 11 points.

- *Requested Amounts:* Ten (27 percent) of 32 applications shown as funded in the SRP funding scenario requested more than the \$150,000 statutory limit of an SRP-funded AIA. These projects are included in the funding recommendation to partially fund the project up to the \$150,000 statutory limit. The Authority acted in December 2024 recommending that the statutory limit for SRP-funded AIAs be raised to \$225,000.
- *Distressed LGUs:* Eight (22 percent) of the 37 considered AIA applications are from Distressed LGUs and all are shown as funded in the funding scenario (Belmont, Benson, Goldsboro, Norwood, Stanly County, Warrenton). LGUs that are designated as Distressed are exempt from the required local match for AIA projects. The City of Belmont (Distressed) requested \$450,000 which is above the \$400,000 per LGU cap for VUR planning projects during the Fall 2025 round.
- *No Prior AIA Funding:* 13 (35 percent) of the 37 considered AIA applications are from LGUs that have never received AIA funding from the Division; however, all five of the applications shown as not funded are from LGUs that have also never received AIA funding from the Division.
- *Hurricane Helene Disaster Declaration Area:* Six (75 percent) of the eight AIA applications submitted by systems located in the Governor's Hurricane Helene disaster declaration area are shown as funded in the funding scenario.

Drinking Water Emerging Contaminants Construction Project Applications

- None of the applications received were incomplete and/or ineligible for consideration.
- There were seven complete and eligible applications for construction projects to address PFAS contamination in drinking water. Per the IUP, half of the DWSRF-EC funds are reserved for evaluation/assessment study projects until the Fall 2025 funding round. If insufficient evaluation/assessment study projects receive funding, the remaining funds in the reserve are made available for construction project applications in the February 2026 funding round . There is currently \$9,658,880 of DWSRF-EC funds from Fiscal Year 2025's capitalization grant available for the evaluation/assessment study reserve and construction projects. In Agenda Item G, \$1,000,000 is being recommended for funding study projects from the evaluation/assessment study reserve, leaving the remaining \$8,658,880 (including unused EC study reserve) available for awards for construction projects in this agenda item.
- Fayetteville Public Works Commission's PO Hoffer/Glenville Lake WTP GAC project is tied for the highest-scoring application but is bypassed from funding due to meeting the maximum IIJA DWSRF-EC funding limit of \$5 million from the IIJA DWSRF-EC funding program (this IUP change was in effect from August 2025). This project received a \$5 million funding award in July 2024.
- City of Goldsboro's PFAS Treatment Improvement and South Granville Water and Sewer Authority's Post filter PFAS treatment projects are recommended for funding with IIJA DWSRF-EC funds, using all available \$8,658,880 in the Fall 2025 round. Both projects previously received \$500,000 of IIJA DWSRF-EC funds for evaluation/assessment study projects.

- South Granville Water and Sewer Authority's Post filter PFAS treatment project is eligible for \$5 million but receives only a partial award of \$3,658,880 (the remaining IJA DWSRF-EC funds available in this funding round). This project will be considered for the remainder of the IJA DWSRF-EC funds in the Spring 2026 funding round.
- Both of these projects are also receiving DWSRF principal forgiveness and loan funds. However, both remain partially funded.
- All applications are in range to receive partial funding from other funding sources.

Drinking Water Project Applications

- One application received was incomplete and/or ineligible for consideration.
- Thirty-two of the 48 eligible applications (67 percent) for drinking water construction project funding are recommended for funding. The last funded project scored 25 points.
- Twenty applications in the funding range would be fully funded in this scenario.
- Sixteen out of 48 drinking water project applications (33 percent) were from LGUs designated as Distressed. Ten of the applications are shown in the funding range in this scenario, of which seven are shown as receiving some VUR grant funding.
- Two high-scoring applications (Town of Fairmont and Town of Seaboard) are not funded in the example funding scenario because they are not eligible for the minimum PF/SRP grant requested and do not have enough VUR funding availability within the \$15 million statutory cap to meet their minimum grant request.
- Town of Parmele's application is not recommended for funding, as they applied for and were recommended for CDBG-I funds for the same project.
- Fayetteville Public Works Commission, Hendersonville, Greensboro, Graham, Johnston County, Roanoke Rapids Sanitary District, Valdese, Burlington, and Pender County had projects that are bypassed funding from the DWSRF specifically in order to meet the 30 percent DWSRF small systems reserve as required by the IUP. Where eligible, SRP loans or other funding is provided to those applications.
- Sampson County's Mintz area water main extension project is bypassed as the application is not eligible to receive the minimum PF requested. However, this project is identified to receive funding from the EC-SDC funding program.
- After identifying all applications that qualify for SRF loan assistance and applying 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, 10 projects received additional PF exceeding the \$500,000 cap, up to \$3 million or the PF eligibility limit for the applicant.
- Nineteen out of 35 applications proposed DWSRF funding assistance in this funding scenario are for small water systems, receiving exactly 30 percent of the DWSRF loan and principal forgiveness funding this round, meeting the minimum 30 percent small system reserve.

Wastewater Emerging Contaminants Construction Project Applications

- No applications were received for CWSRF-EC construction projects. Funding will be made available in the Spring 2026 funding round.

Wastewater Project Applications

- Two applications received were incomplete/ineligible for consideration.
- Thirty-six out of 64 wastewater construction project applications (56 percent) are recommended for funding.
- The last project funded in priority order (Henderson County's Etowah Sewer Design Project) scores 28 points. This project qualified to receive funds from SRP grants, as the applicant met SL 2025-26 criteria for prioritization for SRP grants for Helene affected communities.
- Hendersonville's WWTF flood mitigation application is the last funded with all sources of funding except for others that meet SRP grant prioritization for Helene funds. This project scored 39 points and receives \$3 million in SRP loans and \$3 million in SRP grants.
- Thirty-two out of 64 wastewater project applications (50 percent) were from LGUs designated as Distressed. Twenty-three are shown in the funding range in this scenario, out of which 19 are shown as receiving some VUR grant funding.
- The Town of Star's application is bypassed, as they were not eligible to receive the minimum PF/SRP grant requested and does not have enough VUR funding availability within the \$15 million statutory cap to meet minimum grant request.
- After identifying all applications that qualify for CWSRF loan assistance and applying 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 five projects, up to \$3 million or the PF eligibility limit for the applicant.
- The Town of Lake Lure's BFM Design and Construction project is the last CWSRF funded project at a PRS score of 48 and receives the remaining CWSRF loan funding available in this funding round. Lake Lure's second application for the new WWTP Design and construction is bypassed, as the higher-ranking BFM project is already recommended to receive the remaining CWSRF funds and maximum SRP grant funds. Since both projects are within the funding scenario, the Authority may give the applicant flexibility to switch funding between projects as needed.
- Hendersonville's WWTF flood mitigation application is last funded, with all sources of funding except for others that meet SRP grant prioritization for Helene funds. This project received \$3 million in SRP loans and \$3 million in SRP grants.
- The Fayetteville Public Works Commission's I-95 to NC 87, 54-inch sewer rehabilitation project was bypassed, as the applicant already met the SRF and SRP loan limit with a higher-ranking project.

- The Cape Fear Public Utility Authority (CFPUA) Southside WWTP Replacement and Capacity Increase project receives only \$14,800,761 in CWSRF loans. This project has already received \$175 million in CWSRF loans in prior funding rounds. This recommended award will take the CFPUA to their maximum allowed outstanding CWSRF debt of \$200 million (as specified in the CWSRF IUP), accounting for all active CWSRF projects with obligated CWSRF funds.

The example funding scenario is detailed in Tables 6 through 11 below. These tables identify the projects that would potentially be funded under the example funding scenario. A full list of applications, including those that would not be funded under this scenario, are shown in the accompanying spreadsheets (Agenda Items I-1 through I-10). Application numbers in the tables below reference application numbers in the accompanying spreadsheets.

Other Funding Scenarios

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

All awards from the State Revolving Funds are contingent on the Division's receipt of the SRF funds from EPA.

Table 6. Merger/Regionalization Feasibility (MRF) Grant Applications in the Example Funding Scenario							
SWIA Sheet Appl. No	Applicant Name	Project Name	County	Amount of funding Requested by Applicant	Potential State Reserve Grant Amount	Potential Viable Utility Reserve Grant Amount	Total Potential Funding
1	Milton, Town of	Milton MRF 2025	Caswell	\$50,000	\$50,000	\$0	\$50,000
2	Beaufort County	The Beaufort County Utility Partnership	Beaufort	\$200,000	\$0	\$200,000	\$200,000
3	Stanly County	Stanfield Water MRF	Stanly	\$50,000	\$50,000	\$0	\$50,000
4	Greenevers, Town of	Wastewater MRF Study	Columbus	\$100,000	\$0	\$100,000	\$100,000
5	Stanly County	Stanfield Sewer MRF	Stanly	\$50,000	\$50,000	\$0	\$50,000
6	Princeton, Town of	Princeton MRF	Johnston	\$857,500	\$	\$400,000	\$400,000
7	Orange-Alamance Water System, Inc.	MRF Study with Mebane	Alamance	\$75,000	\$50,000	\$	\$50,000
8	Tuckaseigee Water & Sewer Authority	Regional Sludge Study	Jackson	\$50,000	\$50,000	\$0	\$50,000
Totals for MRF grant applications in the example funding scenario:				\$1,432,500	\$250,000	\$700,000	\$950,000

Table 7. Asset Inventory and Assessment (AIA) Grant Applications in the Example Funding Scenario							
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Amount Requested	Potential State Reserve Grant Amount	Potential Viable Utility Reserve Grant Amount	Total Potential Funding
1	Goldsboro, City of	Goldsboro Water System Master Plan AIA	Wayne	\$400,000	\$0	\$400,000	\$400,000
2	Warrenton, Town of	2025 Water Asset Inventory & Assessment	Warren	\$150,000	\$150,000	\$0	\$150,000
3	Jefferson, Town of	Jefferson Sewer AIA Project	Ashe	\$225,000	\$150,000	\$0	\$150,000
4	Sampson County	Sampson County Asset Assessment	Sampson	\$150,000	\$150,000	\$0	\$150,000
5	Benson, Town of	2025 Water System AIA	Johnston	\$180,000	\$0	\$180,000	\$180,000
6	Belmont, City of	Belmont Water AIA Project	Gaston	\$225,000	\$0	\$200,000	\$200,000
7	Belmont, City of	Belmont Sewer AIA Project	Gaston	\$225,000	\$0	\$200,000	\$200,000
8	Warrenton, Town of	Wastewater Asset Inventory & Assessment	Warren	\$150,000	\$150,000	\$0	\$150,000
9	Lexington, City of	City of Lexington Sanitary Sewer AIA	Davidson	\$260,000	\$150,000	\$0	\$150,000
10	Stanly County	Water System AIA	Stanly	\$150,000	\$150,000	\$0	\$150,000
11	Lake Junaluska Assembly	Lake Junaluska Assembly Sewer AIA	Haywood	\$150,000	\$150,000	\$0	\$150,000
12	Jefferson, Town of	Jefferson Water AIA Project	Ashe	\$225,000	\$150,000	\$0	\$150,000
13	Richmond County	Wastewater Asset Inventory & Assessment	Richmond	\$150,000	\$150,000	\$0	\$150,000
14	Old Fort, Town of	Old Fort Helene Water AIA Project	McDowell	\$225,000	\$150,000	\$0	\$150,000
15	Atlantic Beach, Town of	Water System Asset Inventory Assessment	Carteret	\$150,000	\$150,000	\$0	\$150,000
16	Norwood, Town of	Sewer System AIA	Stanly	\$150,000	\$150,000	\$0	\$150,000
17	Tuckaseegee Water & Sewer Authority	AIA- Update Asset Management Plan-Water	Jackson	\$150,000	\$150,000	\$0	\$150,000
18	Tuckaseegee Water & Sewer Authority	AIA- Update Asset Management Plan-Sewer	Jackson	\$150,000	\$150,000	\$0	\$150,000

Table 7. Asset Inventory and Assessment (AIA) Grant Applications in the Example Funding Scenario							
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Amount Requested	Potential State Reserve Grant Amount	Potential Viable Utility Reserve Grant Amount	Total Potential Funding
19	Energy United Water Corporation	Energy United Water Corp Water AIA	Alexander	\$225,000	\$150,000	\$0	\$150,000
20	Old Fort, Town of	Old Fort Helene Sewer AIA Project	McDowell	\$225,000	\$150,000	\$0	\$150,000
21	Tabor City, Town of	Water Asset Inventory & Assessment	Columbus	\$150,000	\$150,000	\$0	\$150,000
22	Town of White Lake	White Lake Sewer AIA Project	Bladen	\$225,000	\$150,000	\$0	\$150,000
23	Tabor City, Town of	Wastewater Asset Inventory & Assessment	Columbus	\$150,000	\$150,000	\$0	\$150,000
24	Louisburg, Town of	2026 Sewer Asset Inventory & Assessment	Franklin	\$120,000	\$120,000	\$0	\$120,000
25	Bald Head Island, Town of	Bald Head Island Sewer AIA Project	Brunswick	\$225,000	\$150,000	\$0	\$150,000
26	Wade, Town of	Town of Wade Drinking Water AIA	Cumberland	\$150,000	\$150,000	\$0	\$150,000
27	Oakboro, Town of	Water System AIA	Stanly	\$150,000	\$150,000	\$0	\$150,000
28	Maggie Valley Sanitary District	Maggie Valley SD Water AIA Project	Haywood	\$225,000	\$150,000	\$0	\$150,000
29	Town of Powellsville	2025 Water Asset Inventory & Assessment	Bertie	\$150,000	\$150,000	\$0	\$150,000
30	Oakboro, Town of	Sewer System AIA	Stanly	\$150,000	\$150,000	\$0	\$150,000
31	Elk Park, Town of	Sewer System AIA	Avery	\$150,000	\$150,000	\$0	\$150,000
32	Bald Head Island, Town of	Bald Head Island Water AIA Project	Brunswick	\$225,000	\$150,000	\$0	\$150,000
Totals for AIA grant applications in the example funding scenario:				\$5,985,000	\$4,170,000	\$980,000	\$5,150,000

Table 8. IJJA DWSRF-EC Construction Project Applications in the Example Funding Scenario					
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential IJJA DWSRF EC - Principal Forgiveness
2	Goldsboro, City of	PFAS Treatment Improvement Project	Wayne	\$49,605,000	\$5,000,000
3	South Granville Water & Sewer Authority	Post-Filter PFAS Treatment Improvements	Granville	\$21,868,000	\$3,658,880
Totals for IJJA DWSRF-EC Construction applications in the example funding scenario:				\$ 71,473,000	\$8,658,880

Table 9. Drinking Water Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Requested	Potential VUR Grant	Potential SRP Grant	Potential SRP Loan	Potential DWSRF Principal Forgiveness	Potential DWSRF Loan	Total Potential Funding
2	McAdenville, Town of	McAdenville Main St Interconnect Project	Gaston	\$3,959,380	\$989,845	\$0	\$0	\$2,969,535	\$0	\$3,959,380
3	Aurora, Town of	Downtown Water Lines & Well 1 & 2 Rehab	Beaufort	\$2,429,589	\$607,397	\$0	\$0	\$1,822,191	\$0	\$2,429,588
5	TriRiver Water	Sanford-Pittsboro Water Transmission	Lee	\$25,000,000	\$0	\$0	\$0	\$3,000,000	\$22,000,000	\$25,000,000
6	Newport, Town of	Two New Wells for Newport	Carteret	\$2,163,500	\$1,081,750	\$0	\$0	\$1,081,750	\$0	\$2,163,500
8	McDowell County	Providence Hill Water Line Extension	McDowell	\$3,538,500	\$0	\$0	\$0	\$3,000,000	\$538,500	\$3,538,500
9	Goldsboro, City of	PFAS Treatment Improvement Project	Wayne	\$49,605,000	\$0	\$0	\$3,000,000	\$3,000,000	\$22,000,000	\$28,000,000
10	Carolina Water Service of North Carolina	Mt. Mitchell - Water Main Replacement	Yancey	\$253,750	\$0	\$0	\$0	\$0	\$253,750	\$253,750
11	Carolina Water Service of North Carolina	Sherwood Forest - Water Line Replacement	Transylvania	\$400,000	\$0	\$0	\$0	\$0	\$400,000	\$400,000
12	Carolina Water Service of North Carolina	Ski Mountain - Water Main Improvements	Watauga	\$630,000	\$0	\$0	\$0	\$0	\$630,000	\$630,000
13	South Granville Water & Sewer Authority	Post-Filter PFAS Treatment Improvements	Granville	\$21,868,000	\$0	\$0	\$3,000,000	\$3,000,000	\$1,000,000	\$7,000,000

Table 9. Drinking Water Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Requested	Potential VUR Grant	Potential SRP Grant	Potential SRP Loan	Potential DWSRF Principal Forgiveness	Potential DWSRF Loan	Total Potential Funding
14	Louisburg, Town of	Water Treatment Plant Sludge Disposal	Franklin	\$5,752,395	\$0	\$0	\$0	\$2,876,198	\$2,876,198	\$5,752,396
15	Oriental, Town of	Water Treatment Plant Renovations	Pamlico	\$1,052,000	\$0	\$0	\$1,052,000	\$0	\$0	\$1,052,000
16	Fayetteville Public Works Commission	PWC PO Hoffer GL GAC	Cumberland	\$62,380,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
17	Cerro Gordo, Town of	Well #2 Rehabilitation	Columbus	\$500,000	\$500,000	\$0	\$0	\$0	\$0	\$500,000
18	Pink Hill, Town of	Automatic Meter Infrastructure Project	Lenoir	\$364,700	\$182,350	\$0	\$0	\$182,350	\$0	\$364,700
19	Hamilton, Town of	Well No. 3	Martin	\$1,002,340	\$0	\$0	\$0	\$1,002,340	\$0	\$1,002,340
20	Hendersonville, City of	WTF Sludge Transfer & Bwash Pump Upgrade	Henderson	\$7,022,992.00	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
21	Murfreesboro, Town of	Main Street Waterline Replacement	Hertford	\$2,417,386	\$0	\$0	\$0	\$604,346	\$1,813,040	\$2,417,387
22	Princeton, Town of	Water System Improvements	Johnston	\$993,980	\$248,495	\$0	\$0	\$745,485	\$0	\$993,980
24	Gibson, Town of	Gibson Water Meter Replacement Project	Scotland	\$478,000	\$478,000	\$0	\$0	\$0	\$0	\$478,000
25	Belfast-Patetown Sanitary District	Eureka Water Line Replacement	Wayne	\$2,800,000	\$0	\$0	\$2,800,000	\$0	\$0	\$2,800,000

Table 9. Drinking Water Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Requested	Potential VUR Grant	Potential SRP Grant	Potential SRP Loan	Potential DWSRF Principal Forgiveness	Potential DWSRF Loan	Total Potential Funding
26	Greensboro, City of	Mitchell WTP Advanced Treatment for EC	Guilford	\$87,817,093	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
27	Graham, City of	Graham-Mebane WTP PFAS Improvements	Alamance	\$30,250,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
28	Carolina Water Service of North Carolina	Wolf Laurel - McKinney Gap	Madison	\$ 900,000	\$0	\$0	\$0	\$0	\$900,000	\$900,000
29	Roanoke Rapids Sanitary District	Drinking Water EC Construction Project	Halifax	\$44,739,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
30	Valdese, Town of	Raw Water Intake Relocation	Burke	\$20,361,090	\$0	\$3,000,000	\$3,000,000	\$0	\$0	\$6,000,000
31	Morganton, City of	Morganton-Valdese-Drexel Interconnect	Burke	\$2,581,940	\$0	\$2,581,940	\$0	\$0	\$0	\$2,581,940
32	Johnston County	King Rd BPS & Pipeline Improvements	Johnston	\$3,913,400	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
34	Burlington, City of	PFAS Drinking Water Treatment Upgrades	Alamance	\$51,672,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
37	Pender County	Membrane WTP and Associated Improvements	Pender	\$76,250,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
38	Drexel, Town of	Morganton-Valdese-Drexel Interconnect	Burke	\$5,361,850	\$0	\$588,690	\$0	\$0	\$0	\$588,690

Table 9. Drinking Water Construction Projects in the Example Funding Scenario										
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Funding Requested	Potential VUR Grant	Potential SRP Grant	Potential SRP Loan	Potential DWSRF Principal Forgiveness	Potential DWSRF Loan	Total Potential Funding
39	Carolina Water Service of North Carolina	Wolf Laurel - Wells 4&6 Tie In	Yancey	\$1,477,150	\$0	\$0	\$0	\$0	\$1,477,150	\$1,477,150
Totals for drinking water applications in the example funding scenario:				\$519,935,035	\$4,087,837	\$6,170,630	\$36,852,000	\$23,284,196	\$53,888,637	\$124,283,300

Table 10. Wastewater Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential VUR Grant	Potential State Reserve Grant	Potential State Reserve Loan	Potential CWSRF Principal Forgiveness	Potential CWSRF Loan	Total Potential Funding
1	Pilot Mountain, Town of	Pilot Mtn Sewer Collection Rehab/Replace	Surry	\$4,945,900	\$950,300	\$0	\$0	\$3,000,000	\$995,600	\$4,945,900
2	Waynesville, Town of	Little Champion Sewer Improvements	Haywood	\$3,490,531	\$490,531	\$3,000,000	\$0	\$0	\$0	\$3,490,531
3	Waynesville, Town of	WWTP Resiliency Upgrades	Haywood	\$6,500,000	\$6,500,000	\$0	\$0	\$0	\$0	\$6,500,000
4	Milton, Town of	2025 Milton Wastewater Revival	Caswell	\$1,936,620	\$0	\$1,936,620	\$0	\$0	\$0	\$1,936,620
5	Cape Fear Public Utility Authority	Southside WWTP Replacement and Capacity	New Hanover	\$256,564,166	\$0	\$0	\$3,000,000	\$0	\$14,800,761	\$17,800,761
6	Southern Pines, Town of	Southern Pines Sewer Rehab/Replacement	Moore	\$5,000,000	\$0	\$0	\$0	\$2,500,000	\$2,500,000	\$5,000,000
7	Robbins, Town of	Wastewater System Improvements	Moore	\$4,996,575	\$4,996,575	\$0	\$0	\$0	\$0	\$4,996,575
8	Aurora, Town of	Downtown Sewer Lines & Related Fixtures	Beaufort	\$2,956,775	\$2,956,775	\$0	\$0	\$0	\$0	\$2,956,775

Table 10. Wastewater Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential VUR Grant	Potential State Reserve Grant	Potential State Reserve Loan	Potential CWSRF Principal Forgiveness	Potential CWSRF Loan	Total Potential Funding
9	River Bend, Town of	WW Treatment Plant Enhancements - Ph II	Craven	\$13,244,000	\$0	\$0	\$0	\$3,000,000	\$10,244,000	\$13,244,000
10	Ramseur, Town of	Wastewater System Improvements	Randolph	\$4,997,190	\$4,997,190	\$0	\$0	\$0	\$0	\$4,997,190
11	Jamesville, Town of	WWTP Upgrade -- Phase II	Martin	\$ 4,802,500	\$4,802,500	\$0	\$0	\$0	\$0	\$4,802,500
12	Hot Springs, Town of	Housing Authority Sewer to Main WWTP	Madison	\$3,200,800	\$200,800	\$3,000,000	\$0	\$0	\$0	\$3,200,800
14	Bladenboro, Town of	Bladen County Wastewater Regionalization	Bladen	\$3,000,000	\$3,000,000	\$0	\$0	\$0	\$0	\$3,000,000
15	Lucama, Town of	Rockfish Creek WRF Expansion Phase 3	Wilson	\$3,380,025	\$0	\$0	\$0	\$2,535,019	\$845,006	\$3,380,025
16	Fayetteville Public Works Commission	Grifton CWSRF-VUR Pump Station Improvement	Cumberland	\$118,263,250	\$0	\$0	\$3,000,000	\$0	\$35,000,000	\$38,000,000
17	Grifton, Town of	BFM Design and Construction	Pitt	\$5,980,000	\$5,980,000	\$0	\$0	\$0	\$0	\$5,980,000
18	Lake Lure, Town of	2025 WWTP Improvements	Rutherford	\$68,139,539	\$0	\$3,000,000	\$3,000,000	\$3,000,000	\$22,000,000	\$31,000,000

Table 10. Wastewater Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential VUR Grant	Potential State Reserve Grant	Potential State Reserve Loan	Potential CWSRF Principal Forgiveness	Potential CWSRF Loan	Total Potential Funding
20	Roseboro, Town of	Collection System Rehabilitation Phase 2	Sampson	\$3,750,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
21	Walstonburg, Town of	Pump Station #2 Rehabilitation	Greene	\$1,176,780	\$1,176,780	\$0	\$0	\$0	\$0	\$1,176,780
22	Walstonburg, Town of	Pump Station #1 Rehabilitation	Greene	\$540,500	\$540,500	\$0	\$0	\$0	\$0	\$540,500
24	Boardman, Town of	Water Treatment Plant Sludge Disposal	Columbus	\$1,580,000	\$1,580,000	\$0	\$0	\$0	\$0	\$1,580,000
25	Louisburg, Town of	New WWTP and Sewer Regionalization	Franklin	\$5,752,395	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
27	Canton, Town of	Sewer System Rehabilitation	Haywood	\$20,206,090	\$0	\$3,000,000	\$3,000,000	\$0	\$0	\$6,000,000
28	Lumberton, City of	Johnsonfield Sewer Pump Station Imp	Robeson	\$2,168,790	\$0	\$0	\$2,168,790	\$0	\$0	\$2,168,790
29	Farmville, Town of	Collection System Rehabilitation Project	Pitt	\$2,000,000	\$ 2,000,000	\$0	\$0	\$0	\$0	\$2,000,000
30	Nashville, Town of	HWY 209 Pump Station Rehabilitation	Nash	\$7,323,878	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000

Table 10. Wastewater Construction Projects in the Example Funding Scenario

SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential VUR Grant	Potential State Reserve Grant	Potential State Reserve Loan	Potential CWSRF Principal Forgiveness	Potential CWSRF Loan	Total Potential Funding
31	Junaluska Sanitary District	Collection System Repairs	Haywood	\$488,650	\$0	\$488,650	\$0	\$0	\$0	\$488,650
32	Princeton, Town of	Mill Hill Sewer Rehabilitation Project	Johnston	\$966,188	\$966,188	\$0	\$0	\$0	\$0	\$966,188
33	Norwood, Town of	Sanitary Sewer Replacement Project	Stanly	\$3,625,100	\$3,625,100	\$0	\$0	\$0	\$0	\$3,625,100
34	Norwood, Town of	Helene Damaged Collection System	Stanly	\$4,764,725	\$4,764,725	\$0	\$0	\$0	\$0	\$4,764,725
35	Spindale, Town of	Multi Lift Station Rehab & Improvements	Rutherford	\$3,169,052	\$0	\$3,000,000	\$169,052	\$	\$0	\$3,169,052
36	Hookerton, Town of	WTP and Waste Discharge Improvmnts.	Greene	\$1,392,833	\$1,392,833	\$0	\$0	\$0	\$0	\$1,392,33
38	Chocowinity, Town of	Middle School Wastewater Pump Station	Beaufort	\$4,485,000	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
39	Wilkesboro, Town of	WWTF Flood Mitigation	Wilkes	\$1,948,300	\$1,948,300	\$0	\$0	\$0	\$0	\$1,948,300
40	Hendersonville, City of	Etowah Sewer Design Project	Henderson	\$109,442,700	\$0	\$3,000,000	\$3,000,000	\$0	\$0	\$6,000,000
52	Henderson County	Etowah Sewer Design Project	Henderson	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$500,000

Table 10. Wastewater Construction Projects in the Example Funding Scenario										
SWIA Sheet Appl. No.	Applicant Name	Project Name	County	Amount of Funding Requested	Potential VUR Grant	Potential State Reserve Grant	Potential State Reserve Loan	Potential CWSRF Principal Forgiveness	Potential CWSRF Loan	Total Potential Funding
Totals for wastewater applications in the example funding scenario:				\$686,678,852	\$52,869,097	\$20,925,270	\$29,337,842	\$14,035,019	\$86,385,367	\$203,552,595