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| Logo  Description automatically generated | **North Carolina Department of Environmental Quality** |  |
| **Division of Water Infrastructure** |
| **Solicitation for Lead Service Line Replacement Projects** |
| (Last updated: February 27, 2023) |

NC Department of Environmental Quality Division of Water Infrastructure (Division) requests project information from drinking water systems with projects potentially eligible for Drinking Water State Revolving Fund Lead Service Line Replacement (DWSRF-LSLR) low-interest loans and principal forgiveness made available through the Bipartisan Infrastructure Law (BIL).

This solicitation for project information is not an application for funding, but signifies to the Division of the drinking water system’s intent to be considered for BIL DWSRF-LSLR funds once available. Information provided in this solicitation will be used to support North Carolina’s application for federal funding and allow for streamlined process of awarding funds when the BIL DWSRF-LSLR funds are available. This project solicitation form is consistent with Draft 2022 Intended Use Plan (IUP) scheduled to go to public review in March 2023. The Draft 2022 IUP includes a proposed Priority Rating System to be used in prioritizing project applications that will allow for a transparent prioritization and funding process through the State Water Infrastructure Authority. US Environmental Protection Agency’s approval of the IUP and BIL DWSRF-LSLR funding application is necessary before funds can be made available to future applicants.

The Division will use the project information provided in this form to create a project list to include in the BIL DWSRF-LSLR Intended Use Plan. Projects included in this list will be in the best position to be considered for funds when the Division has an approved the IUP and Priority Rating System. Projects not included in the IUP will need to be included in amended or future IUPs to be eligible for BIL DWSRF-LSLR funding.

Eligible projects include removal of known lead service lines and lead connectors, projects to find and replace lead service lines and lead connectors, and projects to inventory lead service lines. A “lead service line” is defined as follows:

*A water service line made of lead, which connects the water main to the building inlet. A lead service line may be owned by the water system, owned by the property owner, or both. A galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material. USEPA has expanded the eligible uses beyond the definition above to also include the replacement of lead goosenecks, pigtails, and connectors as eligible expenses, whether stand-alone or connected to a lead service line.*

For brevity, lead goosenecks, pigtails and connectors are included in the definition of “lead service lines (LSL)” in this solicitation form.

**Solicitation for LSLR Projects may be submitted at any time (rolling submittals).**

For best chance to be included in the first Intended Use Plan, please submit the form by May 1, 2023.

The LSLR Project Solicitation Form is attached after the Instructions.

Additional forms and guidance for completing the LSLR Project Solicitations are available on the Division of Water Infrastructure’s [application page](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources).

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**Instructions for Completing the**

**NC DEQ Division of Water Infrastructure**

**Solicitation for Lead Service Line Replacement Projects**

(Last updated: February 27, 2023)

The following instructions relate to completing the LSLR Project Solicitation Form, attached below. Please follow these directions when completing the form. In some cases, the instructions may refer you to the Division’s [applications webpage](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources) for additional information that may be helpful. Such cases are noted below.

**Section 1 – General Information**

This section contains information the Division will need to process your project request. Complete each blank as directed below.

* **Applicant Name** – Provide the official name of your local government unit (LGU), utility, or organization eligible to apply for funding (e.g., Town of Anytown, Bixby Sanitary District).
* **County** – List the county in which the Applicant is located.
* **Unique Entity Identifier (UEI)** – Use [www.sam.gov](http://www.sam.gov) to find your Unique Entity Identifier number. The UEI replaces the former DUNS number. Make sure your number is up to date and displaying the UEI.
* **Federal Tax ID #** - Needed for loan disbursement purposes.
* **PWSID #** – Public Water System ID.
* **Project Name** – Enter a project name that is short yet captures the nature of your project.
* **Funding Amount Requested** – Enter the amount of funding you are requesting.
* **Total Project Cost** – Enter the cost of the entire project, including costs that will be covered by other sources. Total Project Cost may vary from (but will not be less than) the Funding Amount Requested.
* **Funding Type Requested** – Check the box that is appropriate for the project type for which you are requesting funding. Select only one. You may submit a separate LSLR Project Solicitation Form for a different type of project and funding request.
* **Acceptance of Funding Offer** – Answer the question as described below.

1. The Division may offer a combination of principal forgiveness (PF) and/or low-interest or 0%- interest loans to applicants. Enter the minimum amount you require in principal forgiveness funding to accept any funding offer from the Division for this application, indicating that you are willing to accept the rest of the funding offer as a loan. Enter $0 if you are willing to accept a loan-only offer (i.e., no principal forgiveness). If the desired amount of PF funding is available, the Division will offer PF funding up to the full amount for which the applicant is eligible, including above the stated minimum request if applicable. Selecting a lower acceptable PF amount than what you may be eligible for does not reduce your potential PF offer or low/0% interest loans if funds are available. Selecting too high an acceptable PF amount risks the possibility of not being offered any funding if there are insufficient PF funds available to meet your desired minimum. If PF funding cannot be offered to meet your requested minimum, no funding offer (loan) will be made.

PF is limited by eligibility of the applicant. Provide a copy of the Affordability Calculator (available on the Division’s [application page](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources#additional-resources)) or handwritten affordability calculations as part of the application package.

**Section 2 – Drinking Water System Parameters**

This section contains information related to drinking water system parameters. Please complete all blanks unless otherwise noted.

* **Residential and Non-Residential Water Connections** – Follow the guidance found in Line Item 4.A of the *Priority Rating System Guidance and Form for Division of Water Infrastructure Spring 2023 Project Solicitation for Lead Service Line Replacement Projects* (Priority Rating System guidance available on the Division’s [application page](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources#priority-points-rating-sheet-and-guidance)). Include only existing connections.
* **Monthly Sewer and Water Bills per 5,000 gallons** – If your system offers it, provide the monthly bills for 5,000 gallons per month of use for **both sewer and water**. These rates are (1) used to determine points in Line Item 4.B; and (2) used to determine principal forgiveness eligibility. See Line Item 4.B in the Priority Rating System for Drinking Water/Wastewater guidance for more information about what is needed for this parameter.

**Sections 3, 4, and 5 – Applicant, Application Preparer, and Engineer Contact Information**

Complete this section with all pertinent information. The following bullet points contain specific information.

* **Authorized Representative Name** – This name must be either: (1) the top elected official (e.g., Mayor, Chair of the Board), (2) the top administrative official (e.g., Town Manager, Town Administrator, County Manager, CEO), or (3) must match the name listed on the Resolution by Governing Body of Applicant as the Authorized Representative. The Resolution by Governing Body can be submitted at a later date.
* **Mailing Addresses** – Provide the mailing address where the Applicant, Application Preparer, and Engineer receive mail. For example, if you have a PO Box, provide this information rather than your physical address.

**Note:** Zip codes between PO Boxes and physical addresses may vary. If using a PO Box to receive mail, **use the zip code that matches the PO Box**.

* **Engineer Contact Information** – If your Application Preparer is the same as the Engineer Contact, check the No box. Section 5 may then be left blank. If the answer is Yes, provide the appropriate information.

**Section 6 – Project Description**

In this section, provide a description of the proposed project in detail. Include the project purpose and what the project entails. For example: “Replacement of approximately 50 known lead service lines along Broad Street West of Main. Replacement includes approximately 2,000 linear feet of LSL, and 35 leaded goosenecks.” Descriptions of the work related to the major line items details in the Project Budget (Section 7) must be included in the project description. For example, if 50 known lead service lines will be replaced, this should be listed in both the project description and the project budget with the associated costs.

For replacement projects, expenses such as pre-construction expenses may be included in construction projects.

**Section 7 – Project Budget for All LSL Projects**

Complete the project budget by addressing the categories provided in the table (insert rows as needed). Add up the cost amount for each line and provide subtotals and total cost amount. Please note the following related to this section:

* Project budget is **required.**
* If applying for a project to replace lead service lines, include the pre-construction planning costs in the budget.
* Note the instructions at the top of Section 7 about separating costs and labeling them to show portions of the project costs that are attributable to certain factors, such as cost components for disadvantaged areas vs. non-disadvantaged areas, and replacement of lead service lines. This can be done by adding additional lines to the project budget (e.g.: 1) replacement of 50 lead service lines of approximately 2000 LF and 35 goosenecks, in disadvantaged areas, and 2) replacement of 4 lead service lines of approximately 150 LF and 4 goosenecks in non-disadvantaged areas). You may also add additional columns for the sole purpose of separating and labeling costs as required at the top of Section 8.
* The project budget must be signed, dated, and sealed by a licensed Professional Engineer (PE). Note: If not using DocuSign to seal and sign the budget, put the seal/signature on the Word document or use a wet seal/signature with a scan of the wet seal/signature. **If you do not provide a PE signature, date, and seal on the budget, the solicitation will be incomplete and will not be considered for funding.**

**Certification by Authorized Representative**

The Authorized Representative must read and either initial in the space beside each question or use “N/A”.

**Completeness Checklist**

When putting together the package, initial next to the checklist items to show that the information is in the package, if applicable. Forms are available separately on the Division’s [application page](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources).

**Submittal Information**

* Submit the form electronically at: <https://edocs.deq.nc.gov/Forms/LeadServiceLineProjectSolicitation>
* Follow the directions shown on the form on the website.
* Complete the required fields, almost all of which can be found directly on this Solicitation for Funding form.
* Upload each required document (e.g., completed Project Solicitation Form, Narrative to Claim Points, etc.) **individually; do not upload a single file with the entire solicitation package**. Combine all documentation to support the narrative in claiming points into one file before uploading. **Individual file sizes must be limited to 250 MB.**
* A project resolution by the Governing Board and the Fund Transfer Certification are not required as part of the Project Solicitation Form at this time, but will be required to complete the project application when funds become available. You may submit those documents at this time if ready (please use the templates on the Division’s website for drinking water construction projects).
* Uploading files may take several minutes and may be slow during high volume periods.
* Once you have submitted your solicitation package online, you should receive a confirmation email.
* Online submittal of the solicitation package is sufficient. No hardcopies are necessary.

**Application Signature**

Signing of this solicitation indicates the applicant’s willingness to accept federal conditions when funds become available. The top elected official, the top administrative official, or the Authorized Representative who is to be named when the Resolution by Governing Body of Applicant is submitted must sign the solicitation form. **A solicitation form without this signature is incomplete and will not be eligible for consideration.**

Note: Use a wet signature, or DocuSign signature if signing electronically.

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|  | **North Carolina Department of Environmental Quality** | | | | | | | | | |  |
| **Division of Water Infrastructure** | | | | | | | | | |
| **LSLR Project Solicitation Form** | | | | | | | | | |
|  | (Last updated: February 2023) | | | | | | | | | |
| 1. **General Information** | | | | | | | | | | | |
| **Applicant Name** | | | | | | | **County** | | | **Unique Entity Identifier (UEI)** | |
|  | | | | | | |  | | |  | |
| **Project Name** | | | | | | | **Federal Tax ID #** | | | **PWSID #** | |
|  | | | | | | |  | | |  | |
| **Applicant Type** | | | | | | | | | | **Funding Amount Requested** | |
| Municipality  County  Water and Sewer District  Water and Sewer Authority  Sanitary District | | Metropolitan Water District  Non-Profit Water Corporation  Investor-Owned Drinking Water Corporation  Other (Specify:      ) | | | | | | | |  | |
| **Total Project Cost** | |
|  | |
| **Funding Type Requested** | | | | | | | | | | | |
| Funding for Lead Service Line and Lead Connectors (LSL)  Replacing already-known LSLs  Finding and replacing LSLs  Inventory LSLs only (includes no replacement) | | | | | |  | | | | | |
| **Acceptance of Funding Offer**  This question will be used to identify the best funding fit. All LSL projects will be subject to federal terms and conditions. | | | | | | | | | | | |
| * I will only accept a funding offer if a minimum of $      is offered as principal forgiveness. I will accept the rest as loan. *Enter $0 if you are willing to accept a loan offer with no principal forgiveness.* | | | | | | | | | | | |
| 1. **Drinking Water System Parameters** | | | | | | | | | | | |
| **Residential Water Connections** | | | | | | | | | | | |
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| **Non-Residential Water Connections** | | | | | | | | | | | |
|  | | | | | | | | | | | |
| **Monthly Sewer Bill per 5,000 gallons** | | | | | **Monthly Water Bill per 5,000 gallons** | | | | | | |
|  | | | | |  | | | | | | |
| **Percentage of Utility Bills Collected and Rate Increase Percentages** | | | | | | | | | | | |
| **Year** | | |  | **Percentage of Utility Bills Collected** | | | |  | **Rate Increase Percentage** | | |
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| 1. **Applicant Contact Information** | |
| **Authorized Representative Name**: |  |
| **Authorized Representative Title:** |  |
| **Mailing Address Line 1:** |  |
| **Mailing Address Line 2:** |  |
| **City:** |  |
| **State:** |  |
| **Zip Code:** |  |
| **Physical Address Line 1:** |  |
| **Physical Address Line 2:** |  |
| **Physical Address City:** |  |
| **Physical Address State:** |  |
| **Physical Address Zip Code:** |  |
| **Phone Number:** |  |
| **Email Address:** |  |
| 1. **Application Preparer Contact Information** | |
| **Firm Name:** |  |
| **Contact Name:** |  |
| **Mailing Address Line 1:** |  |
| **Mailing Address Line 2:** |  |
| **City:** |  |
| **State:** |  |
| **Zip Code:** |  |
| **Physical Address Line 1:** |  |
| **Physical Address Line 2:** |  |
| **Physical Address City:** |  |
| **Physical Address State:** |  |
| **Physical Address Zip Code:** |  |
| **Phone Number:** |  |
| **Email Address:** |  |
| 1. **Engineer Contact Information** | |
| Is the engineering firm different from the application preparer? | Yes  No |
| **Engineering Firm Name**: |  |
| **Contact Name:** |  |
| **Mailing Address 1:** |  |
| **Mailing Address 2:** |  |
| **City:** |  |
| **State:** |  |
| **Zip Code:** |  |
| **Physical Address Line 1:** |  |
| **Physical Address Line 2:** |  |
| **Physical Address City:** |  |
| **Physical Address State:** |  |
| **Physical Address Zip Code:** |  |
| **Phone Number:** |  |
| **Email Address:** |  |

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| 1. **Project Description (see Instructions)** | | | |
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| **Is the proposed project a result of a complete or partial inventory of lead service lines in the drinking water system?**  Yes, from a complete inventory of the entire drinking water system.  Yes, from a partial inventory of the drinking water system.  No. | | | |
| **7. Project Budget for All LSL Projects** | | | | |
| 1. Do not include any costs except for the costs related to replacing lead service lines and lead connections, find-and-replace projects, and LSL project inventory. Distribution lines and indoor plumbing costs are not allowed. 2. Costs for portions of the project that will benefit disadvantaged areas (line item 4.D) must be labeled and shown separately to successfully claim points. 3. Add additional lines as needed. | | | | |
| Indicate construction costs by line item (e.g., number of and approx. linear feet of different-sized LSLs, number of goosenecks/pigtails, etc.). Include a more detailed construction cost budget if needed. | **Division Funding Requested** | **Other Secured Funding Source(s)** | **Total Cost Amount** | |
| **Lead Service Line Replacement Costs** |  |  |  | |
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| *Contingency (10% of construction costs):* |  |  |  | |
| ***Construction Subtotal:*** |  |  |  | |
| **Engineering Costs** |  |  |  | |
| Engineering Design/Specifications |  |  |  | |
| Permitting |  |  |  | |
| Land Surveying Costs |  |  |  | |
| Other: |  |  |  | |
| ***Engineering Subtotal:*** |  |  |  | |
| **Administration and Planning Costs** |  |  |  | |
| Lead Service Line Inventory Costs |  |  |  | |
| Planning (pre-construction costs) |  |  |  | |
| Engineering Report Preparation (if applicable) |  |  |  | |
| Environmental Documentation Preparation (if applicable) |  |  |  | |
| Legal Costs |  |  |  | |
|  |  |  |  | |
| Other: |  |  |  | |
| ***Administration Subtotal:*** |  |  |  | |
| **TOTAL FUNDING REQUESTED AND PROJECT COST:** |  |  |  | |
| **A Professional Engineer seal, signature, and date for the estimate *must be provided* in the space to the right for the Solicitation to be considered complete.**  **(**Note: If not using DocuSign to seal and sign the budget, put the seal/signature on the Word document or use a wet seal/signature with a scan of the wet seal/signature.) | |  | | |

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| **Certification by Authorized Representative** | |
| The attached statements and exhibits are hereby made part of this form, and the undersigned representative of the Applicant certifies that the information in this form and the attached statements and exhibits are true, correct, and complete to the best of his/her knowledge and belief. By initialing each item and signature at the end of this form, he/she further certifies that: | |
| \_\_\_\_\_\_\_ | 1. as Authorized Representative, I have been authorized to file this solicitation by formal action of the governing body (e.g., by resolution) or as defined in this form as the Authorized Representative in Section 3 following the Instructions;   (Note: a resolution by the governing board requesting LSLR funds will be required at a later date to complete the application for funding process. No governing board resolution is required at this time, but you may submit one if ready). |
| \_\_\_\_\_\_\_ | 1. the Applicant has substantially complied with or will comply with all federal, state, and local laws, rules, and regulations, ordinances, and funding conditions as applicable to this project; |
| \_\_\_\_\_\_\_ | 1. the Applicant will adopt and place into effect on or before the completion of the project a schedule of fees and charges which will provide for the adequate and proper operation, maintenance, and administration and repayment of all principal and interest on loans (if applicable) for the project; |
| \_\_\_\_\_\_\_ | 1. the Applicant has followed proper accounting and fiscal reporting procedures, as evidenced by the Applicant’s most recent audit report, and the Applicant is in substantial compliance with provisions of the general fiscal control laws of the State; |
| \_\_\_\_\_\_\_ | 1. the Project Budget for all construction projects provided in this form (Section 7) includes all funding requested from all sources of funding proposed for this project; |
| \_\_\_\_\_\_\_ | 1. the (Town or County), North Carolina is organized and chartered under the laws of North Carolina, or the special purpose unit of local government is incorporated under the laws of North Carolina. All officials and employees are aware of, and in full compliance with NCGS 14-234, “Public officers or employees benefiting from public contracts; exceptions.” (For units of local government only. All others should initial “N/A”); |
| \_\_\_\_\_\_ | 1. the Applicant acknowledges that all loans are subject to approval by the Local Government Commission; |
| \_\_\_\_\_\_\_ | 1. the Applicant acknowledges that, in accordance with G.S. 120-157.2, for local government debt to be issued greater than $1,000,000, the local government must report to Committee Chairs, Committee Assistant, and the Fiscal Research Division of the General Assembly at least 45 days prior to presentation before the Local Government Commission. |

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| **Solicitation Completeness Checklist** | |
| In addition to this form, the following items must be included in the solicitation package. If not applicable for the project, please initial “N/A”. | |
| \_\_\_\_\_\_ | Proposed LSLR Priority Rating System Form to Claim Priority Points † |
| \_\_\_\_\_\_ | Comprehensive Narrative to Claim Points in the proposed Priority Rating System |
| \_\_\_\_\_\_ | Documentation to Support the Comprehensive Narrative, including maps or images as needed |
| \_\_\_\_\_\_ | Affordability Calculator † or handwritten affordability calculations |
| \_\_\_\_\_\_ | Water & Sewer Financial Information Form † |
| \_\_\_\_\_\_ | Current water and wastewater rate sheets in effect (for both water and sewer if the utility provides both water and sewer, or for water only depending on the utility service) |
| \_\_\_\_\_\_ | Professional Engineer seal with signature and date on Project Budget |
| † Forms and templates are available separately on the [Division’s application webpage](https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding/application-forms-and-additional-resources).  In addition to the items above, when LSLR funds become available, the Division will request additional items and information to consider this solicitation form an application for funding. Additional items will include:   1. a resolution by the governing board (with a certification form by the recording officer) † requesting project funding, and 2. the Fund Transfer Certification †.   You may submit those now using the templates available for drinking water construction projects, or wait until they are requested. | |

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| **Submittal Information** | | | | |
| **All solicitation packages must be submitted electronically at** [**https://edocs.deq.nc.gov/Forms/LeadServiceLineProjectSolicitation**](https://edocs.deq.nc.gov/Forms/LeadServiceLineProjectSolicitation)  See Instructions on completing the form online. | | | | |
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| **Solicitation Signature** | | | | |
| Original signature is required for the form.  Solicitation with no signature is incomplete and will not be consideration an application when funds are available. | | | | |
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| **SIGNATURE OF TOP ELECTED OFFICAL, TOP ADMINISTRATIVE OFFICIAL, OR AUTHORIZED REPRESENTATIVE AS NAMED IN RESOLUTION\*** | | | | |
|  | , |  | , |  |
| **TYPED NAME** |  | **TYPED TITLE** |  | **DATE** |