

Water Resources Development Grant Program (WRDGP)
Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund
Guidelines FY 2025-2026

Administered by: N.C. Department of Environmental Quality (DEQ), Division of Water Resources (DWR), 1611 Mail Service Center, Raleigh, N.C., 27699-1611. Contact Kevin Hart at Kevin.hart@deq.nc.gov or (919) 707-3607.

Authority: DWR is authorized to provide grants to local governments for water resources development projects by [S.L. 2022-74](#).

Who is Eligible: Units of local government

Application Deadlines: Applications can be received throughout the year for navigation projects on an as needed basis.

Funding Source: North Carolina Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund ([N.C. Gen. Stat. § 143-215.73F](#))

Eligible Purposes and Cost-Share Percentages: According to [N.C. Gen. Stat. § 143-215.73F](#), revenue in the Fund may only be used to provide the State's cost share of the costs associated with any dredging project designed to keep shallow draft navigation channels located in State waters or waters of the State located within lakes navigable and safe. The cost share for dredging projects shall be at least one non-State dollar for every three dollars from the fund ([S.L. 2022.74](#)). No cost-share shall be required for dredging projects located, in whole or part, in a development tier one area for a ferry channel maintained by the North Carolina Department of Transportation.

Ineligible Costs

The following costs will not be paid with State Shallow Draft Navigation funds nor used to provide the required local share:

- Costs incurred outside of the contract period.
- Indirect or overhead costs of the municipality, such as rent, telephone service, and general administrative support.
- Salaries and other expenses of elected officials, whether incurred for purposes of project direction, execution, or legislation, are not an eligible cost.
- Cost incurred for legal fees (including but not limited to Permit appeals or violations).
- Purchase of dredge machinery (including but not limited to barge and excavator).

Additional Information:

Funding provided from the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund must be primarily for general or recreational navigation purposes. Additional project outcomes from a navigation project such as beneficial placement of beach compatible material must be a secondary reason for the project (if applicable). Dredging around ship berths, piers, docks and access to private docks are not eligible for funding from the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund ([15A NCAC 01T](#)).

Application Submittal: All required forms and grant information can be found at the

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[WRDGP website](#). Applications shall be considered accepted once an email confirmation has been provided by the Shallow Draft Navigation Channel Dredging Coordinator.

Application Spreadsheet (MS Excel) - Applications shall be completed and returned via email to Kevin Hart at Kevin.hart@deq.nc.gov. The complete application will be included in the DEQ contract documentation, and the project budget will serve as the basis for the contract's financial documentation should a project be recommended for funding. Therefore, it is very important that its contents are accurate and complete.

Project Plan and Location Maps – Project plans, a survey of the dredge site, and a survey of the dredge material disposal site (if applicable).

Official Resolution – As required in [15A NCAC 01T.0204](#), the Project Sponsor shall include a resolution adopted by the governing board stating the amount of State aid requested and accepting the Project Sponsor's responsibilities. The Official Resolution must be signed by a representative of the Project Sponsor with signatory authority and state that the local unit of government will:

1. Assume full obligation for payment of the balance of project costs.
2. Obtain all necessary State and Federal environmental permits.
3. Comply with all applicable laws governing the award of contracts and the expenditure of public funds by local governments.
4. Supervise construction of the project to ensure compliance with permit conditions and to agree to provide safe and proper construction in accordance with approved plans and specifications.
5. Obtain appropriate easements, rights-of-way or suitable dredge material disposal areas that may be necessary for the construction and operation of the project without cost or obligation to the State.
6. Ensure that the project is open for use by the public on an equal basis with limited restrictions (if on public property).
7. Hold the State harmless for any damages that may result from the construction, operation, and maintenance of the project.
8. Accept responsibility for operation and long-term maintenance of the completed project.

An Official Resolution template is available for download from the [WRDGP website](#). The Project Sponsor may not revise or eliminate provisions from the Official Resolution template unless they have submitted written justification to DWR and received DWR's approval. Supplementary provisions may be added to address unique circumstances of a particular project.

Conflict of Interest Policy – Project Sponsors must provide the local government's conflict policy that the Project Sponsor, Project Sponsor's subordinates and any person or persons designated to act on behalf of the Project Sponsor does not have an actual or apparent conflict of interest with respect to the project. An example of a Conflict of Interest policy can be found on the [WRDGP](#)

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[website](#). This policy shall be on the Project Sponsor's letterhead.

All Conflict of Interest Policies should include:

- 1) Policies must apply to management employees and members of its board of directors or other governing body.
- 2) Policies must apply to any grants involving State funds.
- 3) Policies must address situations in which individuals in #1 may directly or indirectly benefit from the disbursement of State funds (excluding any benefit they receive by virtue of their position as a disburser of the grant).
- 4) Policies must include actions to be taken by the grantee or individual to avoid conflicts of interest and the appearance of impropriety.
- 5) Policies must be filed with the State prior to grant fund disbursement

No overdue Tax Debts- The Project Sponsor must provide a certification of no overdue tax debts. The certification must be certified by the board chair and a second authorizing official. A copy of the form may be found on the [WRDGP website](#).

Supplementary Documentation – The Project Sponsor may provide supplementary documentation (reports, photos, letters of support, etc.) as separate attachments via email as part of the application submittal. Application supplementary documents should be emailed to Kevin Hart at Kevin.Hart@ncdenr.gov.

Note: It is the Project Sponsor's responsibility to ensure the application submitted to DWR is accurate and complete. Erroneous or incomplete information in an application may prevent a project from being recommended for grant funding and may delay processing of contracts and funds for approved projects.

Any changes to the original project budget and/or project scope submitted with the application will require the prior written approval of DWR and may also require a DEQ contract amendment. Unapproved changes to the project scope or budget throughout the course of a project will not be eligible for cost-share funding or reimbursement.

Grant Application Review and Approval

DWR reviews grant applications and either approves, approves in part, or disapproves those applications based on the following criteria:

1. The economic, social, and environmental benefits to be provided by the projects;
2. Regional benefits of projects to an area greater than the area under the jurisdiction of the local sponsoring entity;
3. The financial resources of the local sponsoring entity;
4. The environmental impact of the project;
5. Any direct benefit to State-owned lands and properties.

Post Grant Funding Award

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Acceptance of a grant award will require the Project Sponsor to enter into a grant contract with DEQ. Any changes to the scope of the project or project budget after submission of a grant application will require the written approval of the DWR Grant Administrator and may also require a DEQ contract amendment. In seeking DWR approval, the Project Sponsor must submit, at a minimum, a justification for any proposed changes, revised scope of work narrative, and a revised budget. Unapproved changes to the project scope or budget shall not be eligible for, and may result in additional reductions to, cost-share funding or reimbursement.

A DEQ grant contract is considered “fully-executed” once it has been signed by both a signatory authority of the Grantee and DEQ Financial Services. A copy of the fully-executed contract shall be provided to the Grantee after being signed by DEQ. No portion of work or expenditure of funds for the project, plan or services shall begin prior to receiving a fully-executed contract from DEQ. Unforeseen circumstances such as legislative, policy or funding allocation changes may delay award notifications.

Project Sponsor Obligation – Environmental Permitting

All proposed projects are subject to environmental review and permitting under applicable federal and State law. It is the Project Sponsor’s responsibility to prepare, provide and remain in compliance with all applicable environmental permitting requirements. If permitting is included in an application, no funds will be provided until after project permits have been provided to DWR.

Extension Request

Grant award recipients may request a contract extension if a justification for the extension can be sufficiently documented. An extension is granted at the discretion of DWR. An extension request shall be submitted at least 45 days prior to the contract expiration date by the Project Sponsor or primary contact on official letterhead to Kevin Hart at Kevin.hart@deq.nc.gov. At a minimum, the extension request shall include:

1. Justification for the extension request
2. Summary of the current project status
3. Anticipated project schedule moving forward
4. The local government contact information (name, email, position, and phone number) of the person with signatory authority.

Extension requests that are approved by DWR will require a grant contract modification by DEQ.

Grant Reimbursement Payments

The grant award amount is the maximum possible reimbursement amount. Only expenditures incurred after a fully executed contract that are detailed in the contract budget are eligible for reimbursement. Allowable expenditures are expenditures associated with the work performed for a specific invoicing cycle that are in accordance with the DWR-approved application budget sheet for the project. Reimbursements will provide 75% of the total amount spent on the project as of the date of the request. Reimbursements will provide 100% of the total amount spent for

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dredging projects located, in whole or part, in a development tier one area (as defined in N.C. Gen. Stat. § 143B-437.08) for a ferry channel maintained by the North Carolina Department of Transportation. Reimbursement requests can be submitted no more frequently than monthly. DWR will normally pay the Grantee by check or electronically within 30 days of receipt of the statement of expenses, provided the expenses are in accordance with the project information shown in the initial request or as amended. If the Grantee decides that significant changes to a project's scope from that in the original application are necessary, the Grantee must send a request in writing to the DWR Grant Administrator and receive approval of those changes. Unapproved changes will not be eligible for state cost-sharing.

Reimbursement requests shall include:

1. Cover letter on grantee letterhead that includes:
 - a) DEQ grant contract number
 - b) Total amount of reimbursement request
 - c) Actual cost (expenses) by approved budget categories
 - d) Total amount spent on the project to date of the request
2. Complete Grant Reimbursement Template (both sheets labeled "Invoices" and "Request 1 Itemized") located on the [WRDGP website](#).
3. Copies of invoices or other documentation for materials, services and other project costs detailed on the "Request 1 Itemized" sheet. Invoices submitted shall be on either the Grantee or the Grantee's subcontractor letterhead.

DWR will retain 10% of the total grant award amount until after the final project has been inspected and accepted by DWR staff. The reimbursement request and supporting documentation should be submitted electronically to Kevin Hart at Kevin.hart@deq.nc.gov.

Requests for Additional Funding

Grant recipients can submit a request for additional funding to DWR. Requests for additional funding must be submitted by the Project Sponsor on official letterhead via email. The following information shall be submitted by the Grantee to DWR for additional funding consideration:

1. A narrative describing the circumstances/need for an increased funding award, summary of current project status and anticipated project implementation schedule.
2. Copies of all subcontractor invoices for design, permitting, surveying, construction, construction oversight and project administration.
3. An updated cost breakdown using the table found in the SDNF application.
4. The local government contact information (name, email, position, and phone number) of the person with signatory authority.

Upon receiving all relevant information from the Grantee, DWR will respond to the Grantee with within 30 calendar days with a decision regarding increased funding. Funding increases are subject to the availability of funds. DWR may not be able to grant requests for additional funding

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caused by inaccurate or incomplete information in the application or project budget provided by the Project Sponsor or Co-Project Sponsor.

Project Close-Out

The Grantee shall notify the DWR Grant Administrator upon project completion and provide DWR with the most recent set of permits, as-built/record, post-surveys of the dredge site, and post-surveys of the spoil site (if applicable) in Adobe PDF format prior to the project close-out.

DWR Grant Administrator may schedule a close-out inspection of the completed project with a representative of the Grantee. This inspection will verify that the project was implemented in accordance with the information provided in the grant application, along with the approved plans and specifications.

The Grantee shall address any remedial or compliance actions identified during this close out inspection prior to DWR project acceptance. After the project is inspected and accepted, DEQ will review the accounting statements and reimburse the Grantee for the remaining 10% of the State's share of the non-federal cost.

Additional References for the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund:

[S.L. 2013-360](#)

[S.L. 2015-241](#)

[S.L. 2016-94](#)

[S.L. 2017-57](#)

[S.L. 2018-5](#)

[S.L. 2021-180](#)

[S.L. 2022-74](#)

[15A NCAC 01T](#)

v. 6/24/2025