

FISCAL RESEARCH DIVISION

A Staff Agency of the North Carolina General Assembly

Division of Water Infrastructure (DWI)

Joint Appropriations Committees on Agriculture,
Natural, and Economic Resources

February 9, 2023

Outline

- State Water Infrastructure Authority
- Federal Programs
- State Programs
- Budget and FTE
- Recent Budget Actions



State Water Infrastructure Authority

State Water Infrastructure Authority (SWIA)

- Established in 2013
- Nine members
- Staffed by the Division of Water Infrastructure
- Awards all funding for water/wastewater projects
- G.S. 159G-70

Set points-based priority
system following
statutory criteria

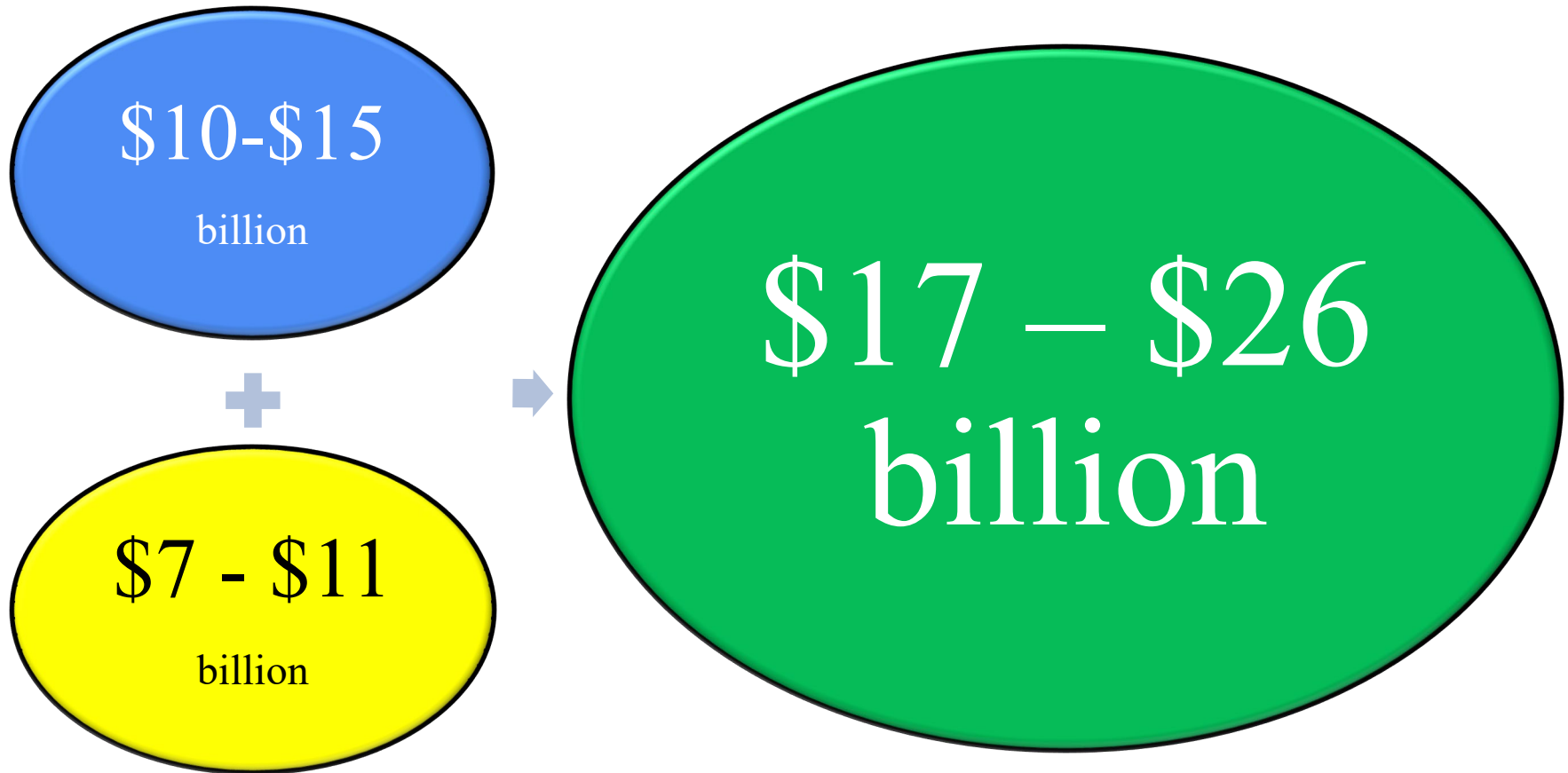
Approve Master Plan
and consolidated
application form

Hold two annual
funding cycles (Fall and
Spring)



Twenty-Year Capital Cost Needs

Water Systems



Wastewater Systems

Source: Statewide Water and Wastewater Infrastructure Master Plan 2017



DWI: 2021-23 Budget Actions

\$2.3 billion for water infrastructure

- \$1.98 billion from American Rescue Plan Act funds
- \$345.9 million from General Fund
 - \$1.3 billion earmarked for special appropriations
 - **\$907 million available for competitive grants**



DWI: State Programs

State Wastewater and Drinking Water Reserve

- Provides grants and loans
- Merger/regionalization feasibility (MRF)
- Asset inventory and assessment (AIA)
- G.S. 159G-36(c)

\$10 m recurring appropriation

Grant/loan max is \$3 m



DWI: State Programs

Study and Assessment Grants

- Funded from State Reserve appropriation
- Merger/regionalization feasibility (MRF)
 - Allows utilities to explore merge options
- Asset inventory and assessment (AIA)
 - Examine current infrastructure

MRF: \$50,000 max every three years

AIA: \$150,000 max every three years



DWI: Federal Programs

Clean Water State Revolving Fund (CWSRF)

- Provides loans at $\frac{1}{2}$ the market rate for up to 20 years
- Some principal forgiveness loans, 0% interest loans and reduced loans available
- Green Project Reserve

State Match: 20% - \$6 m R

Repaid loans add funding

Loan max: \$30 m



DWI: Federal Programs

Drinking Water State Revolving Fund (DWSRF)

- Provides loans at $\frac{1}{2}$ the market rate for up to 20 years
- 30-year, targeted interest rate loans possible
- Some principal forgiveness loans, 0% interest loans and reduced loans available

State Match: 20% - \$7 m R

Repaid loans add funding

Loan max: \$20 m



DWI: Federal Programs

Community Development Block Grant (CDBG-I)

- Grants
- Water and sewer
- Low to moderate income areas
- Allocated in Annual Appropriations Act

Federally funded - \$20 m

Grant max: \$2 m



DWI: Federal Programs

Infrastructure Investment and Jobs Act (IIJA)

Provides an additional \$1.2 billion available through the State Revolving Funds over five years (starting in FY 2022-23)

Includes:

- \$447 million for lead pipe replacement
- \$119 million to address emerging contaminants in drinking water systems
- \$119 million for small and/or underserved communities



DWI: Website



I Need Funding

Next funding round: Spring 2023. Spring 2023 applications, training dates and locations will be available here soon. The deadline for submitting Spring 2023 funding applications is Monday, May 1, 2023. Read about available funding programs and the application process. Contact us to find the best program for your needs.



I Have Funding

Once your funding is in place, learn the five-step process: Engineering Report, Design & Bid, Approval of Bids, Construction & Reimbursement, and Repayments. There are additional requirements for projects funded through the CDBG-I program.



Contacts

Division offices are located in the Archdale Building in Raleigh. Many staff are teleworking and/or in the office on a limited basis. Staff phone numbers & email addresses are available here. Essential business may be conducted in person by appointment.

<https://deq.nc.gov/about/divisions/water-infrastructure>



DWI: Website

FALL 2022 FUNDING APPLICATION SUBMITTALS



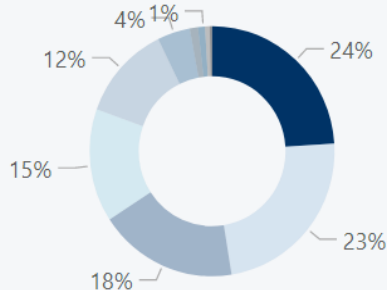
Number of Submittals*

156

Funds Requested*

\$1,095,692,184

Number of Submittals by Project Type

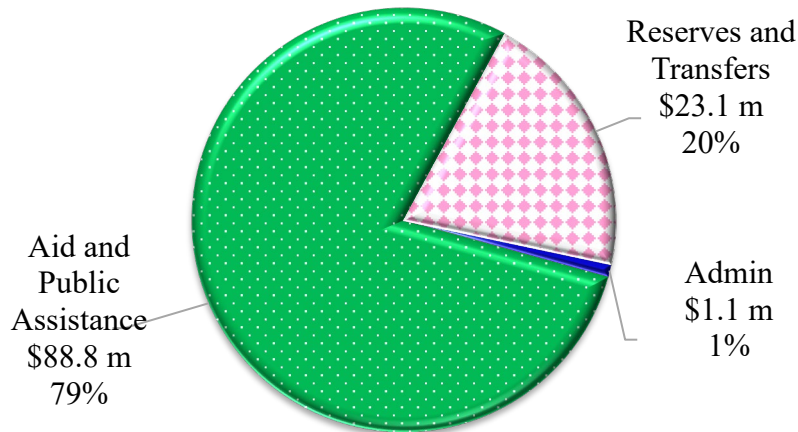


*Numbers and amounts are based on total submittals received prior to review.

Location	Applicant Name	Project Name	Funds Requested (\$)
Cumberland	Total		\$15,303,886
	Cumberland	Landfill Leachate Treatment and PFAS Removal	\$15,303,886
	Total	Total	\$15,303,886
Davidson	Lexington	LRWWTP Solids Handling Improvements	\$27,979,000
		Total	\$27,979,000
	Total	Total	\$27,979,000
Duplin	Magnolia	2022 Sanitary Sewer Improvements	\$1,924,950
		Newberry Sewer Pump Station Replacement	\$1,027,850
		Total	\$2,952,800
	Rose Hill	Rose Hill Sewer Rehabilitation	\$17,226,090
		Total	\$17,226,090
	Total	Total	\$20,178,890
Edgecombe	Other	Lone Pine MHP Wastewater System Improvements	\$2,724,100
		Total	\$2,724,100
	Total	Total	\$2,724,100
Gaston	McAdenville	McAdenville Sewer Rehab To Support Regionalization	\$4,962,000
		Total	\$4,962,000
	Other	City of Lowell Wastewater Interconnection with Two Rivers Utilities	\$7,905,060
	Total	Total	\$7,905,060

DWI: General Fund Authorized Budget

**Total General Fund Requirements
FY 2022-23**

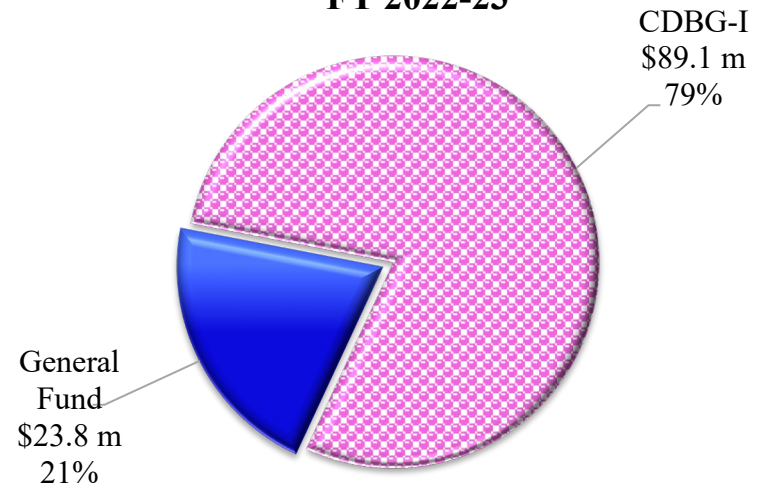


Appropriated	4.00 FTE
Receipts	3.00 FTE
Total GF	7.00 FTE

Total General Fund Budget

Requirements:	\$112,926,914
Receipts:	\$89,126,160
Net GF Approp.:	\$23,800,754

**Source of Funds
FY 2022-23**



Source: Dec. 31, 2022 BD701



Questions?

