



February 26, 2025

# Overview of the Division of Water Infrastructure

*Shadi Eskaf, Director*



# Core Functions

Authorities are established in NCGS 159G. DWI is a non-regulatory, non-permitting Division.



Administer funding programs (loans and grants) for drinking water, wastewater, and stormwater projects throughout the state.



Staff the State Water Infrastructure Authority.



Implement the Viable Utilities program.



Collaborate with other Divisions, agencies, states, and resource agency partners.



Complete federal and state required actions (e.g., conduct Needs Surveys).

# *What the Division of Water Infrastructure Funds*

## **Low-interest loans and grants for:**

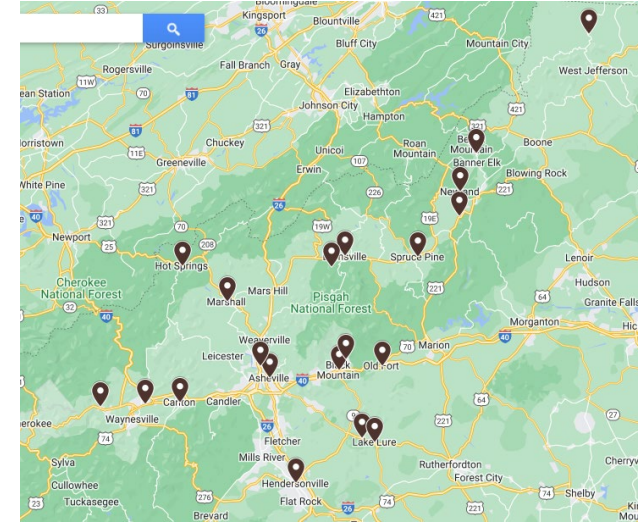


**Construction:** Drinking water infrastructure  
Wastewater infrastructure  
Stormwater infrastructure  
Stream restoration  
Lead service line replacements

**Planning:** Asset Inventory and Assessment (AIA) grants  
Merger/Regionalization Feasibility (MRF) grants  
Stormwater planning, incl. developing a stormwater utility  
Lead service line inventories  
Evaluation/assessment studies to address PFAS

# Helene Emergency Bridge Loans – SL 2024-53

- The NCGA allocated \$100 million to DEQ to set up an emergency bridge loan program for water and wastewater infrastructure.
- Terms include:
  - Local government or non-profit utility in affected area
  - 0% interest loans, no closing fee, no LGC approval
  - Expend by October 2028 and repay by June 2030
  - Designed to be reimbursable by other disaster relief funds
- DWI identified priority recipients and invited utilities to apply for the loans– 25 have now been identified based on immediate needs.
  - 20 utilities have requested funding.
  - Other utilities in affected area may request funding.



<b>As of Feb 2025:</b>	Hendersonville	Montreat
Asheville	Hot Springs	Newland
Beech Mountain	Junaluska	Old Fort
Black Mountain	Sanitary District	Spruce Pine
Burnsville	Lake Lure	Woodfin Sanitary District
Canton	Lansing	Yancey County
Chimney Rock Village	Marshall	
Crossnore	Maggie Valley San. District	

# Funding Programs

## Federal & State

- Clean Water State Revolving Fund (CWSRF)
- Drinking Water State Revolving Fund (DWSRF)
- IIJA Emerging Contaminants (PFAS)
- IIJA Lead Service Line Identification / Replacement (LSLR)
- IIJA Emerging Contaminants for Small and Disadvantaged Communities (EC-SDC)

US EPA  
Includes the IIJA funds

## Federal

- Community Development Block Grant – Infrastructure (CDBG-I)

US HUD

## Drinking Water Reserve & Wastewater Reserve (State Reserves)

- Drinking water and wastewater loans and grants
- Asset Inventory and Assessment (AIA) grants
- Merger Regionalization / Feasibility (MRF) grants
- Hurricane Helene Emergency Bridge Loans

Includes ARPA and State  
appropriations in SL 2021-180,  
2022-74 & 2023-134

Helene appropriations in SL 2024-53

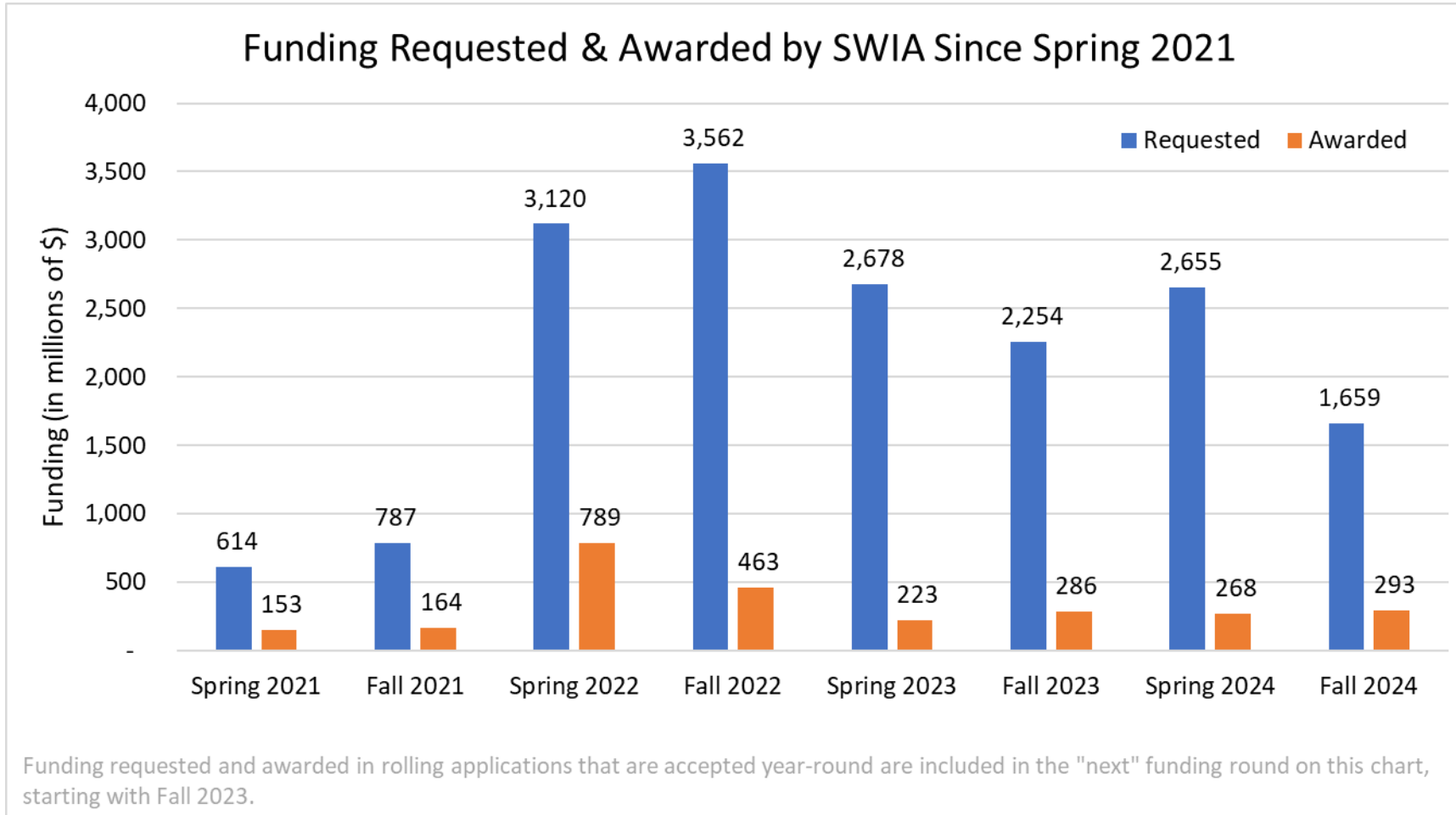
## Viable Utility Reserve (VUR)

- Drinking water and wastewater grants, MRF, AIA, rate study and other grants to improve long-term viability of utilities designated as distressed
- Emergency grants for operating deficits of utilities under LGC fiscal control

## Local Assistance for Stormwater Infrastructure Investments (LASII)

- Stormwater construction
- Stormwater planning, including developing and implementing a new stormwater utility

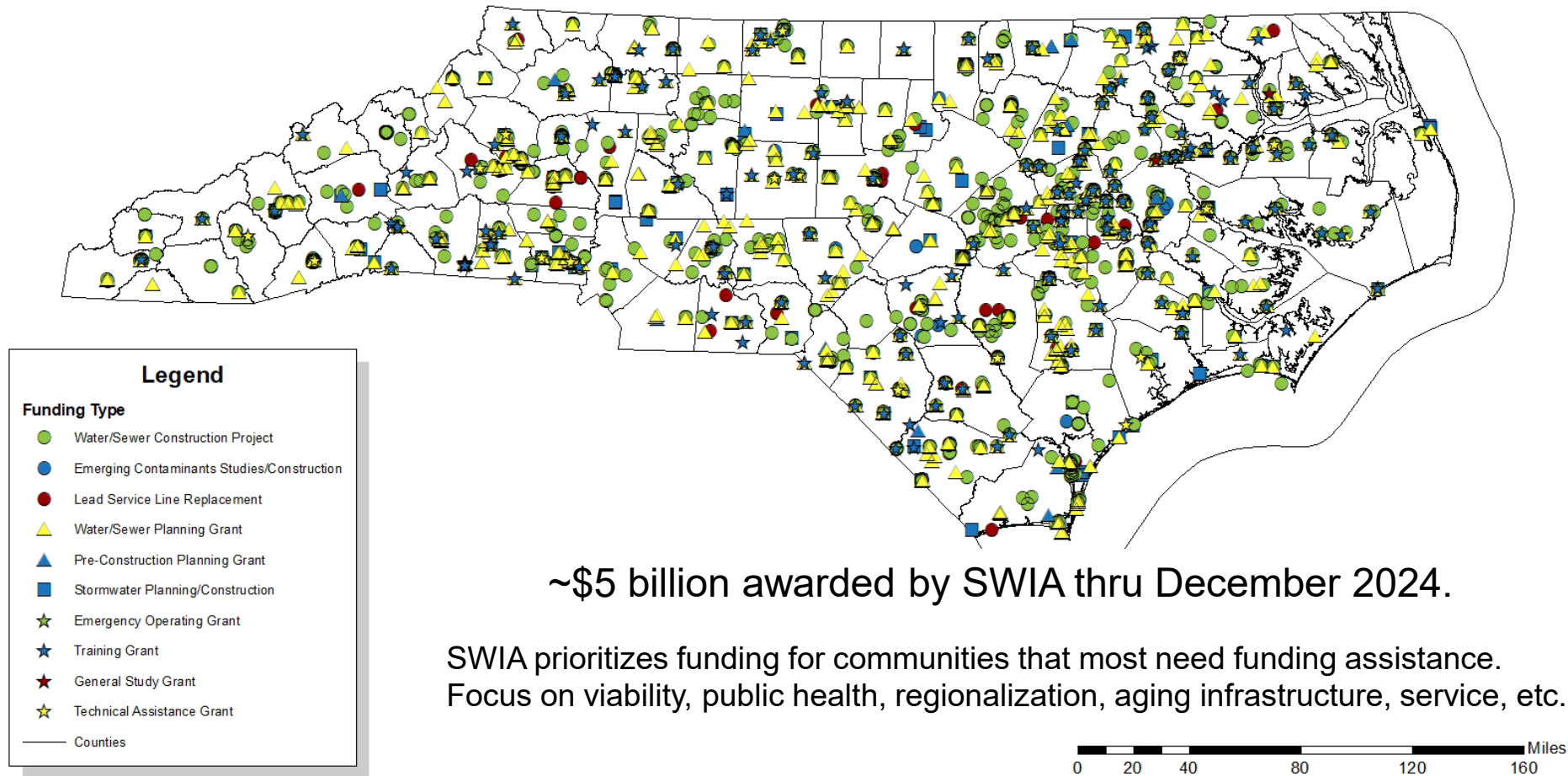
# Applications for Funding – Requested & Awarded



Demand from competitive funding applications far exceeds availability of funds.

# SWIA-Awarded Funding (Competitive Applications)

Water, Wastewater, and Stormwater Infrastructure Projects Awarded from January 2014 to April 2024



**2017**

North Carolina's Statewide Water and Wastewater  
**INFRASTRUCTURE MASTER PLAN**  
*The Road to Viability*



Water Infrastructure  
ENVIRONMENTAL QUALITY

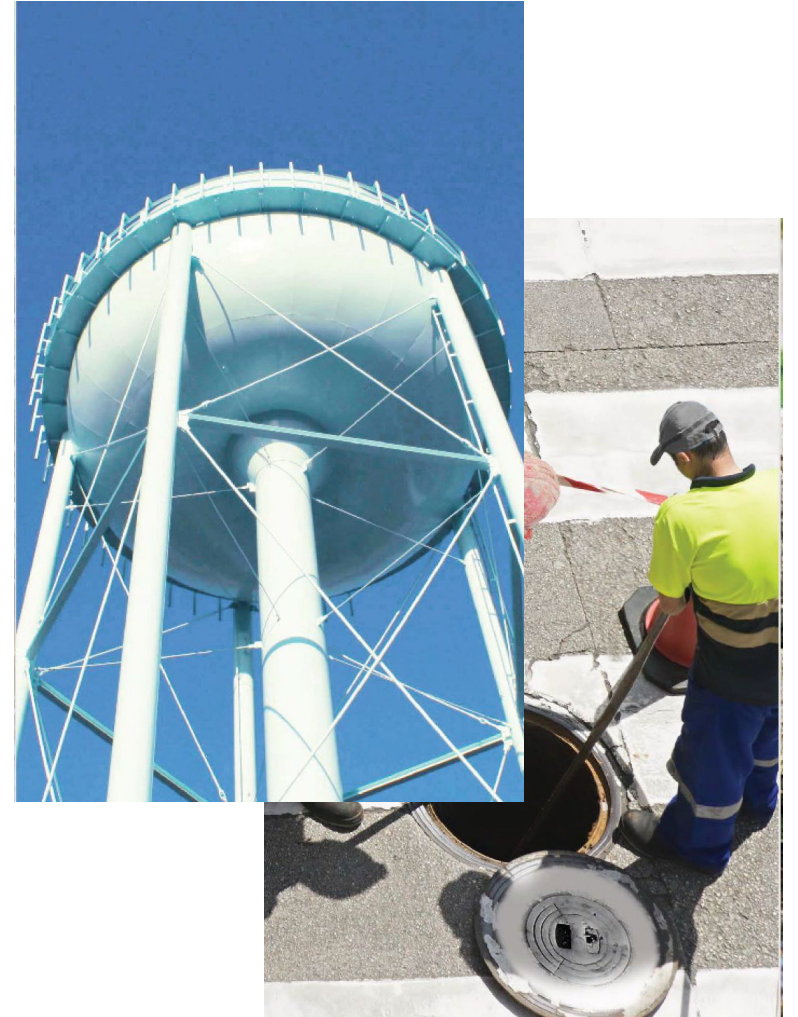
## Statewide Water and Wastewater Infrastructure Master Plan

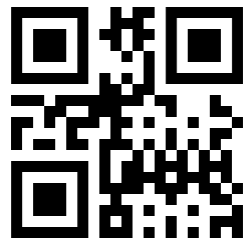
# *Viable Utility Reserve and Program*

- Signed into law on July 1, 2020
  - Reform of Water and Wastewater Public Enterprises, S.L. 2020-79
- Foster the viability of utilities by:
  - Identifying and designating local government units as “Distressed” (SWIA and LGC)
  - Guiding Distressed utilities through statutory requirements of:
    - Training the governing board and utility managers
    - Conducting an asset assessment and rate study
    - Developing a short term/long term viability plan
  - Managing the Viable Utility Reserve grant funds to support progress towards viability
  - Coordinating between SWIA, Local Government Commission (LGC), and resource agency partners

# *Challenges & Opportunities Across the State*

- Addressing long-term viability of utilities (VUR)
- Rising costs, aging infrastructure
- Adequate local planning
- Protecting and optimizing use of taxpayer dollars among those that need it the most
- Lack of funding programs for other related infrastructure types (stormwater, septic repairs)





DWI



SWIA

*Questions?*

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