

# **Request for Funding Form and Instructions for Recipients of Water and Wastewater Direct Projects in Section 12.2.(e) of the Current Operations Appropriations Act of 2023 (S.L. 2023-134) of the General Assembly of North Carolina**

(Version 1: October 16, 2023)

The following instructions are for local government units with allocations in the North Carolina General Assembly's Session Law (S.L.) 2023-134, Section 12.2.(e) for water and wastewater projects through the North Carolina Department of Environmental Quality (DEQ). The NC DEQ Division of Water Infrastructure (Division) will be administering the funds.

Appendix A provides the list of local government units and appropriated funds as specified in Section 12.2.(e) of S.L. 2023-134. All local government units on the list must use this Request for Funding form to specify the project(s) for which the funds will be used. The Division disburses these grant funds to the local government unit (the Recipient) after relevant costs are incurred by the local government and invoices are submitted. Up to 15% of the funds available for projects may be disbursed after costs are incurred during the pre-construction stage to cover design and planning costs. The remainder will be disbursed as invoices for incurred pre-construction and construction costs are submitted by the Recipient during construction. Only costs eligible under NC G.S. 159G may be covered by these funds. Projects must be administered in accordance with all applicable federal law and guidance, as well as North Carolina statutes.

Once a completed Request for Funding form has been received describing a project that is eligible under NC G.S. 159G, the Division will issue a "Letter of Intent to Fund" which will provide a project number and Division project manager contact information. The Letter of Intent to Fund will establish milestone dates for:

- Application for all necessary permits
- Bid and Design package submittal (i.e., plans and specifications and associated documents)
- Recipient advertises the project, receives bids, submits bid information, and receives Authority to Award from the Division
- Recipient executes construction contract(s).

A funding offer, listing the funding amount for the project and required conditions and assurances, will then be prepared for the Recipient. The governing board of the Recipient must pass a resolution accepting the funding offer and conditions prior to disbursement of funds.

## **Projects Eligible for the Appropriated Funds**

State statute limits the types of projects and costs that are eligible for the appropriated funds. Drinking Water Reserve and the Wastewater Reserve projects must be eligible per NC G.S. 159G-32 through NC G.S. 159G-34. Eligible projects are limited to the construction costs of a public water system, wastewater collection system, wastewater treatment works project, and/or stormwater quality projects. S.L. 2023-134 also includes additional eligibility requirements for specific projects or Recipients (see Appendix A).

Construction costs are defined in NC G.S. 159G-20(1c) as the following:

- (1c) Construction costs. - The costs of planning, designing, and constructing a project for which a loan or grant is available under this Chapter. The term includes the following:

- a. Excess or reserve capacity costs attributable to no more than 20-year projected domestic growth plus ten percent (10%) unspecified industrial growth.
- b. Legal, fiscal, administrative, and contingency costs.
- c. *[Does not apply for the S.L. 2023-134 Directed Projects]*.
- d. A fee payable to the Department for a permit to implement a project for which a loan or grant is obtained.
- e. The cost to acquire real property or an interest in real property.

### **Additional Information**

- If project funding is co-mingled with other federal or state funds, all requirements for the other funding program(s) will apply. For example, if S.L. 2023-134 funding is added to a project that is funded through the Division of Water Infrastructure using American Rescue Plan Act (ARPA) grants, all ARPA requirements (except the expenditure deadline) will apply to the S.L. 2023-134 funds, such as compliance with the Uniform Guidance.
- Per Section 12.2.(k), three (3) percent of the appropriated amount of each directed project will be used for departmental administrative costs in lieu of a grant fee charged to projects.
- The statutory limit of \$3 million in grant funding from the Drinking Water Reserve and Wastewater Reserve in three consecutive fiscal years under G.S. 159G-36(c)(3) will not apply to the direct appropriations listed in Appendix A per S.L. 2023-134, Section 12.2.(b).
- Please consider utilizing DEQ permit scoping services to ensure your project has the appropriate environmental permits by accessing the following webpage: <https://www.deq.nc.gov/regional-office-scoping-meeting-flyer-deacs/download?attachment>

## **Instructions on Completing the Attached Request for Funding Form**

### **Section 1 – General Information**

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

- **Recipient Name** – Provide the official name of your local government unit (e.g., Town of Anytown, Dogwood County).
- **County** – List the county in which your local government unit resides.
- **UEI Number** – Use [www.sam.gov](http://www.sam.gov) to find your UEI number.
- **Federal Tax ID #** – Needed for grant disbursement purposes.
- **Section 12.2.(e) Line #** - Enter the S.L. 2023-134, Section 12.2.(e) Line # that applies to this Request for Funding form. See Appendix A for the line numbers that apply to your local government unit. Note that some local governments have multiple appropriations with different line numbers and different pre-specified purposes.
- **PWSID #** – Needed for all drinking water projects.

- **Collections System or NPDES Discharge Permit #** – Needed for wastewater collections and/or treatment projects, respectively.
- **Project Name** – Enter a project name that is short yet captures the nature of your project (limit to 40 characters).
- **Funding Amount Requested** – Enter the amount of funding you are requesting. Must be no more than “Funds Available to Recipient for Projects” as shown in Appendix A.
- **Total Project Cost** – Please enter the cost of the entire project. Note: This cost may be greater than the funding amount requested.
- **Project Type** – Check the box that applies. If you have multiple projects, submit separate Requests for Funding for drinking water, wastewater, or stormwater quality projects. It is recommended that you contact the Division prior to completing the Request for Funding if you have multiple projects supported by the funds appropriated in S.L. 2023-134 Section 12.2(e).
- **Other Funding Sources** – If the Total Project Cost exceeds the Funding Amount Requested, please specify the sources of other funding. Recipients may choose to add some or all of their S.L. 2023-134 appropriation to currently funded projects to supplement those project funds.
- **Funding Requirements** – Please read and check each box.

### **Sections 2, 3, and 4 – Recipient, Form Preparer, and Engineer Contact Information**

Complete this section with all pertinent information.

- **Authorized Representative Name** – The Authorized Representative should be Mayor, Manager, Public Utilities Director, Finance Director, or someone in the local government with a similar position.
- **Physical Address** – the location of the drinking water/wastewater/local government administrative building.
- **Form Preparer Contact Information** – Information on the person who completed this form.
- **Engineer Contact Information** – If your Request for Funding Form Preparer is the same as the Engineer Contact, check the “No” box. Section 4 may then be left blank. If the answer is “Yes”, provide the appropriate information.

Note: in addition, the Authorized Representative’s mailing address will be requested in the electronic submittal form.

### **Section 5 – Project Description**

In this section, provide a brief description of the proposed project at a broad level of detail. Include the project purpose and what the project entails (e.g., rehabilitation of 2,000 l.f. of sewer, construction of a new well, etc.). Project description must demonstrate that the project is eligible for funding per General Statutes as described above, funding source limitations, and budget limitations.

If S.L. 2023-134 specifies what the appropriation should be used for, please limit the project description and scope to the requirement specified in the Session Law (see Appendix A).

Include information such as types of equipment to be included, capacity of equipment, and estimates of line length. Major line items in the project budget (Section 6) must be shown in the project description. For

example, if 2,000 l.f. of 4-inch pipe is listed in the project budget, it must be listed in the project description. Include the number of new connections if applicable.

If this project supplements or is an extension of an existing project funded by the Division of Water Infrastructure, please provide the existing Project Number, project name, and information on how the additional funding will be used with the project.

### **Section 6 – Project Budget**

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

- Budget should consider potential increases in material and construction costs.
- Budgets in this form do not need to be signed or sealed by a licensed professional engineer.

### **Certification by Authorized Representative**

The Authorized Representative must read and initial in the space beside each question.

### **Completeness Checklist**

To better ensure that the project information is sufficient to provide the Recipient with a Letter of Intent to Fund, ensure that all the information listed in the completeness checklist is provided in the Request for Funding and initial each item on the checklist. If the Request for Funding does not request the entire funding amount available to the Recipient, please use the space provided to inform the Division of your plans to request the remaining funds.

The Authorized Representative must sign the Request for Funding form.

The Division recommends that the local government staff present to their governing board the proposed project(s) prior to submitting the Request for Funding form(s) to NC DEQ. A governing board resolution in support of the Request for Funding is optional and is not required. The local government unit might also wish to inform their elected representatives of their project plans.

### **Submittal Information**

- We recommend that Requests for Funding be submitted to the Division as soon as possible.
- All recipients should utilize the electronic submittal form located on our website at <https://edocs.deq.nc.gov/Forms/2023DirectedProjects>
- If you are unable or have trouble uploading the Request for Funding form, please reach out to one of the contacts below.

### **Questions?**

- For drinking water Requests for Funding: please contact Austin Pegues, Operations Unit, at 980-447-1136 or e-mail at [austin.pegues@deq.nc.gov](mailto:austin.pegues@deq.nc.gov).
- For wastewater and stormwater Requests for Funding: please contact Mikal Willmer, Operations Unit, at 828-296-4686 or e-mail at [mikal.willmer@deq.nc.gov](mailto:mikal.willmer@deq.nc.gov).

**APPENDIX A**

**Table of Drinking Water and Wastewater Reserve Direct Appropriations  
S.L. 2023-134, Section 12.2.(e)**

Per Section 12.2.(k), three (3) percent of the appropriated amount of each directed project will be used by NC DEQ for administrative costs in lieu of a grant fee charged to projects. When completing the Request for Funding form, please ensure that the Funding Amount Requested is not more than the “Funds Available to Recipient for Projects” shown in the bolded column below.

A few local governments have multiple direct appropriations listed below. Please identify the “Section 12.2.(e) Line #”, shown in table below, on page 1 of the Request for Funding form.

<b>Section 12.2.(e) Line #</b>	<b>Recipient</b>	<b>Funds Appropriated in S.L. 2023-134</b>	<b>Funds Available to Recipient for Projects (after administrative costs)</b>	<b>Directed Project Specified in S.L. 2023-134</b>
1	Alamance, Village of	\$200,000	<b>\$194,000</b>	
2	Albemarle, City of	\$17,300,000	<b>\$16,781,000</b>	
3a	Alexander County	\$2,622,586	<b>\$2,543,909</b>	For the Bethlehem water tank.
3b	Alexander County	\$2,500,000	<b>\$2,425,000</b>	For water line extensions.
4	Andrews, Town of	\$787,000	<b>\$763,390</b>	
5	Angier, Town of	\$9,000,000	<b>\$8,730,000</b>	
6	Anson County	\$6,000,000	<b>\$5,820,000</b>	For a regional water or wastewater project.
7	Archdale, City of	\$7,000,000	<b>\$6,790,000</b>	
8	Asheboro, City of	\$4,170,500	<b>\$4,045,385</b>	
9.1	Autryville, Town of	\$2,000,000	<b>\$1,940,000</b>	
9.2	Autryville, Town of	\$900,000	<b>\$873,000</b>	For stormwater improvements.
10	Ayden, Town of	\$3,000,000	<b>\$2,910,000</b>	
11	Bald Head Island, Village of	\$965,000	<b>\$936,050</b>	
12	Beech Mountain, Town of	\$14,000,000	<b>\$13,580,000</b>	
13	Belmont, City of	\$10,000,000	<b>\$9,700,000</b>	
14	Benson, Town of	\$16,000,000	<b>\$15,520,000</b>	
15	Bermuda Run, Town of	\$2,250,000	<b>\$2,182,500</b>	
16.1	Bladen County	\$10,000,000	<b>\$9,700,000</b>	
16.2	Bladen County	\$5,000,000	<b>\$4,850,000</b>	For water or wastewater projects related to the Live, Work, Play Project.

<b>Section 12.2.(e) Line #</b>	<b>Recipient</b>	<b>Funds Appropriated in S.L. 2023-134</b>	<b>Funds Available to Recipient for Projects (after administrative costs)</b>	<b>Directed Project Specified in S.L. 2023-134</b>
166	Shelby, City of	\$12,461,500	<b>\$12,087,655</b>	
167.1	Siler City, Town of	\$72,750,000	<b>\$70,567,500</b>	Must follow project directives listed in S.L. 2023-134, Section 12.2.(g).
167.2	Siler City, Town of	\$2,500,000	<b>\$2,425,000</b>	For construction of an elevated water tank associated with an economic development project.
168	Smithfield, Town of	\$6,250,000	<b>\$6,062,500</b>	
169	Snow Hill, Town of	\$4,222,500	<b>\$4,095,825</b>	
170	South Granville Water and Sewer Authority	\$5,000,000	<b>\$4,850,000</b>	
171	Spring Hope, Town of	\$3,000,000	<b>\$2,910,000</b>	
172	Spring Lake, Town of	\$300,000	<b>\$291,000</b>	
173	Spruce Pine, Town of	\$2,500,000	<b>\$2,425,000</b>	
174	St. Pauls, Town of	\$2,500,000	<b>\$2,425,000</b>	
175	Stanley, Town of	\$1,000,000	<b>\$970,000</b>	
176	Stanly County	\$2,000,000	<b>\$1,940,000</b>	For water and wastewater projects for Juneberry Ridge.
177	Stantonsburg , Town of	\$2,600,000	<b>\$2,522,000</b>	For a well water project and water line replacement.
178	Star, Town of	\$10,000,000	<b>\$9,700,000</b>	
179	Statesville, City of	\$3,000,000	<b>\$2,910,000</b>	For water and wastewater projects pertaining to economic development.
180	Stokes County Water and Sewer Authority	\$15,000,000	<b>\$14,550,000</b>	
181a	Stoneville, Town of	\$2,000,000	<b>\$1,940,000</b>	For water and wastewater lines along U.S. 220 West.
181b	Stoneville, Town of	\$2,700,000	<b>\$2,619,000</b>	For water system improvements.
182	Surf City, Town of	\$20,000,000	<b>\$19,400,000</b>	
183	Thomasville, City of	\$4,000,000	<b>\$3,880,000</b>	
184	Transylvania County	\$10,000,000	<b>\$9,700,000</b>	
185	Trinity, City of	<b>\$4,500,000</b>	<b>\$4,365,000</b>	
186.1	Troutman, Town of	\$10,000,000	<b>\$9,700,000</b>	