

Request to Apply: Clean Water and Drinking Water State Revolving Fund

This is a request to apply for a loan to support installation of water and sewer lines in the identified areas of the Northern part of Rowan County through the Clean Water State Revolving Fund (sewer) and the Drinking Water State Revolving Fund (water). Because Rowan County does not currently have an existing system in place, the project does not qualify for grant funds or principal forgiveness. The following summarizes some of the requirements for loan approval and administration:

- This funding originates federally and is subject to all federal laws in construction and project administration. These are not ConnectNC Bond funds.
- Applicants are asked to submit Capital Improvement Plans, Asset Management Plans, Source Water Protection Plans, Well Head Protection Plans, Water Loss Reduction Program information, and Water Conservation Incentive Rate information
- This funding will not fund economic development or expansion for future growth projections
- The primary purpose of this funding is to address public water systems, except in the case of serious, documented contamination of private wells.
- Funding decisions are made by the State Water Infrastructure Authority (SWIA). SWIA has identified 1) repair and rehabilitation of documented aging and failing water infrastructure, and 2) consolidation of inefficient water operation systems and providing support to those consolidated entities as statewide funding priorities.
- Any applicant intending to initiate a new water system must receive approval from NC DEQ before any loan agreements or contracts involving those systems can be entered into. This is an approximately two year process.
- Successful applicants requesting funds for construction projects must initiate construction within two years. Funding cannot be used for pre-award (pre-contract) costs unless pre-approved by NC DEQ.

Funding applications will be scored using the following criteria:

- 1) Project Purpose (Up to 30 points)
 - a. Does the project eliminate failing, existing public water systems?
 - b. Does the project address failed infrastructure (documented contaminated or dry wells)?
 - c. Does the project rehabilitate or replace existing infrastructure?
 - d. Does the project address pollution or implement GREEN systems/solutions?
- 2) Project Benefits (Up to 35 points)
 - a. Does the project offer any specific public health benefit through a public water supply system?
 - b. Does the project offer a sanitary or environmental benefit?
 - c. Does the funding seek to bring something up to standards and codes?
 - d. Does the project address an EPA or DEQ Enforcement Order or Violation?
 - e. Does the project merge existing systems by ownership and operation?
 - f. Does the project connect existing systems or enhance an already existing connection?
 - g. Does the project address low pressure and/or water loss?
 - h. Does the project address document, state-approved contamination?
 - i. Does the project improve public water treatment?
 - j. Does the project create operational redundancy?
 - k. Does the project address impaired watersheds?
 - l. Does the project consolidate or improve efficiency in system management and/or energy use?

Request to Apply: Clean Water and Drinking Water State Revolving Fund

3) System Management (Up to 30 points)

- a. Is the project included in a recently adopted (within 2 years) Capital Improvement Plan that covers at least ten years?
- b. Has the applicant implemented an Asset Management Plan that meets standards?
- c. Does the system have an approved Operating Ratio?
- d. Does the system have an approved Source Water and/or Well Head Protection Plan?
- e. Does the system have a water loss reduction plan?
- f. Does the system have a water conservation rate incentive in place?

4) Affordability (Up to 30 points)

- a. How many current residential connections does the project have (0-1,000, the greater the better)
- b. Are the current water rates affordable to users?
- c. How does the applicant (county) compare to LGC State Benchmarks (applicants must be worse than the state benchmarks in at least three of five categories)

Economic Indicator	State Benchmark	Rowan County	Better/Worse
Population Change	5.17%	.6%	Worse
Poverty Rate	17.6%	19%	Worse
Median HH Income	\$46,693	\$40,588	Worse
Unemployment	6.4%	5.3%	Better
Property Valuation/Capita	\$104,432	\$84,520	Worse

In addition, the application requires the Commission pass a resolution to apply for both funding sources to be certified by the County Clerk (attached).

Request to Apply: Clean Water and Drinking Water State Revolving Fund

Approval Request Date: _____

Grant Title: Clean Water State Revolving Fund

Grantee: _____

Website: <http://portal.ncdenr.org/web/wi/cwsrf>

Funding Source

Original: Environmental Protection Agency

Secondary: NC DEQ

Award Range: Up to \$30 million/applicant

Match: 2% loan fee

Eligibility: local government units

Release Date: Summer 2016

Closing Date : 9/30/16

Award Announcements: January 2017

Grant Summary: Congress, through the Federal Clean Water Act, provides funds for states to establish revolving loan programs for funding of wastewater treatment facilities and projects associated with estuary and nonpoint source programs. This includes wastewater treatment and/or collection, reclaimed water, stormwater best management practices, stream restoration, rainwater harvesting and energy efficient treatment or collection systems. Funding can be in the form of low interest loans, principal forgiveness loans, or 0% interest loans for Green projects and rehab projects for high-poverty local governments. Applicants have two years to start construction, and cannot finance the 2% closing fee. All loans must be approved by the local government commission. Principal forgiveness is based on 1) having less than 20,000 connections, 2) having an existing rate system greater than the state median, 3) Being worse off than the state benchmarks on the LGU Economic Indicators, and 4) Receiving priority points for project purpose in the scoring system. This funding is subject to federal requirements in construction and administration.

Request to Apply: Clean Water and Drinking Water State Revolving Fund

Approval Request Date: _____

Grant Title: Drinking Water State Revolving Fund

Grantee: _____

Website: <http://portal.ncdenr.org/web/wi/dwsrf>

Funding Source

Original: Environmental Protection Agency

Secondary: NC DEQ

Award Range: Up to \$20 million/applicant

Match: 2% loan fee

Eligibility: Local government units, nonprofit water corporations, investor-owned drinking water corps

Release Date: Summer 2016

Closing Date : 9/30/16

Award Announcements: January 2017

Grant Summary: Congress, through the Safe Drinking Water Act, provides funds for states to establish revolving loan programs for funding of drinking water projects focusing on source, treatment, storage or transmission and distribution systems. Funding can be in the form of low interest or principal forgiveness loans. Applicants have two years to start construction, and cannot finance the 2% closing fee. All loans must be approved by the local government commission. Principal forgiveness is based on 1) having less than 20,000 connections, 2) having an existing rate system greater than the state median, 3) Being worse off than the state benchmarks on the LGU Economic Indicators, and 4) Receiving priority points for project purpose in the scoring system. This funding is subject to federal requirements in construction and administration.