THE STATE OF NORTH CAROLINA

DRINKING WATER STATE REVOLVING FUND INTENDED USE PLAN FUNDING FROM FEDERAL FISCAL YEARS 2012 and 2013

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ATTACHMENTS

Acronyms

ARRA - American Recovery and Reinvestment Act of 2009
CPPL - Comprehensive Project Priority List
CWSRF - Clean Water State Revolving Fund
DCP - Disadvantaged Community Program
DENR - North Carolina Department of Environment and Natural Resources
DWQ-Division of Water Quality
DWSRF - Drinking Water State Revolving Fund
EPA - Environmental Protection Agency
GPR – Green Project Reserve
GPS - Global Positioning System Unit
IUP - Intended Use Plan
LGC - Local Government Commission
NCAC-North Carolina Administrative Code
PWS Section - Public Water Supply Section, administers North Carolina's Drinking Water Program
NCRWA - North Carolina Rural Water Association
OA - Capitalization Grant Operating Agreement
PCS - Potential Contaminant Source
PER - Preliminary Engineering Report
PFL – Principal Forgiveness Loan
RO - Regional Office
RTP Ready to Proceed
SDWA - Safe Drinking Water Act
SDWIS- Safe Drinking Water Information System
SRF - State Revolving Fund
WHP - Wellhead Protection
WHPP - Wellhead Protection Plan

North Carolina DWSRF Intended Use Plan – FY 2012 & FY 2013 Funds

1. Introduction

Through the authorizations provided by the 1996 Amendments to the Safe Drinking Water Act (SDWA), (P.L. 104-182), Section 1452, Congress created the Drinking Water State Revolving Fund (DWSRF) to provide funds to states to assist public water systems with financing the cost of infrastructure improvements needed to achieve or maintain compliance with the SDWA requirements and to protect public health. Section 1452(b) requires that each state prepare an Intended Use Plan (IUP) as part of the application to explain in a brief and concise document how the state will use the Capitalization Grant. This document is the IUP for the 2012 and 2013 Capitalization Grants for North Carolina.

The North Carolina allotment from the federal appropriation for federal Fiscal Year (FY) 2012 is $23,537,000 and for FY 2013 is also assumed to be $23,537,000, pending final Congressional action. These funds will be available to North Carolina when it has successfully obtained a State Revolving Fund Capitalization Grant award from EPA and has provided the 20 percent required state match.

This IUP proposes to use $32,481,060 in federal dollars and the entire 20 percent state match of $9,414,800 for a total of $41,895,860 for project loans and $15,792,940 of federal funds for non-project set-asides (see Attachment A). Congress requires that between 20 and 30 percent of the Capitalization Grant must provide additional subsidization under the principal forgiveness reserve and 15 percent must be loaned to systems serving fewer than 10,000 people. A single project can contribute toward both of these requirements.

2. Short and Long-Term Goals of the DWSRF Projects and Set-Asides

The DWSRF offers opportunities to direct funding toward systems having the most pressing public health or compliance needs. Another expectation is that the Preliminary Engineering Reports (PERs) and Environmental Assessments (when required) submitted with applications reflect a thorough evaluation of remediation alternatives including that of doing nothing.

2A. Short-term goals

1. Provide loans to eligible public water systems to address acute health risks as a priority.
2. Provide loans to eligible public water systems to allow consolidation of non-viable water systems with systems having adequate capacity.
3. Provide funding for preventive and efficiency measures, such as the replacement of aging infrastructure.
4. Improve public water systems' compliance.
5. Assist EPA in meeting regional program objectives by conducting State Supervision activities and meeting work plan objectives and measures.
6. Provide the required State match within the required time frame.

2B. Long-term goals

1. Support the North Carolina goal of assuring safe and healthy drinking water for state residents and visitors served by public water supplies.
2. Increase the percent of the population served by safe water systems.
3. Increase the safety of public water systems.
4. Promote safe and affordable drinking water.
5. Provide technical and financial assistance to public water systems in adapting to changing drinking water quality standards and maintaining the health objectives of the SDWA.
6. Maintain the fiscal integrity of the DWSRF to assure continuance of loan funds for future generations.
7. Assist water systems in complying with new SDWA rules as they are implemented.
8. Implement a capacity development strategy that may use innovative strategies and solutions to help water systems improve compliance.
9. Ensure technical integrity of the proposed water system improvements, advocate self-sufficiency, protect water resources from new pollution sources, and promote sustainability.

3. Financial Status of DWSRF

3A. Total amount of funds in DWSRF. Attachment A of this IUP shows the total amount of funds in the DWSRF for FY 2012 and FY 2013 and the intended allocation to each activity. Attachment A shows the full 20 percent required State match for FY 2012 and 2013. The Legislature will provide the required State match.

3B. Beginning/End-of-year financial status. The DWSRF Annual Report is submitted to EPA by September 30th each year. The DWSRF Annual Report summarizes the disbursements and the total funding available through the end of the state fiscal year (June 30), and is available at the following address: http://www.ncwater.org/pws/srf/Pages/ANNUAL_DWSRF_REPORT_12_FINAL_Printed2012-10-16.pdf.

3C. Other Status Information. Administration of these funds conforms to the state fiscal year, starting July 1 each year and ending June 30. As provided for by state statutes, it is the intent of the DWSRF program to use interest earned on state match loan funds as well as principal and interest repayments to the state from projects as part of the funds available. Accelerated commitment of this repayment stream will increase the utilization of these funds and improve the pace of the program. It is the policy of the state to maximize the use of the DWSRF to assist as many water systems as possible and to preserve the fund in perpetuity. Taking this into account, a Disadvantaged Communities Program has been established as described in Section 7. Historically, the maximum interest rate for a standard loan is 4 percent with one-half of the market rate being the norm. However, in recent years, to help move funds more quickly and address unliquidated obligations, the interest rate has been 0 percent. The maximum term is 20 years. The Department has been directed by the State Legislature (HB1095/S.L. 2005-454) to establish through negotiation with EPA priority criteria for evaluating DWSRF loan applications. The

outcome was an Operating Agreement incorporating revised criteria transferred from Section .0600 of the NCAC 15A 1N rules. Assurance schedules contained in the Operating Agreement specify the level of fiscal integrity North Carolina and the Department of Environment and Natural Resources (DENR) specifically have targeted for the overall management of the DWSRF funds.

4. Intended Use for Non-Project Activities/Set-Asides

4A. Definition of non-project activity. The 1996 SDWA added significant new program responsibilities for states and provided for their funding through the set-asides from the DWSRF for non-project activities. Set-asides are uses of DWSRF money which are allowed by the SDWA to further the objectives of the Act but are not construction related. These activities include the following:

- Program Administration,
- Technical Assistance to Small Systems,
- Administration of the Public Water Supply Supervision Program (State Program Management), and
- Local Assistance and Other State Programs.

Non-project activities may be carried out directly by the Public Water Supply (PWS) Section of the Division of Water Resources in the Department of Environment and Natural Resources and through contracts with other agencies and organizations.

4B. Description of process used to determine amounts of Capitalization Grants to be used for non-project activities. In planning for the DWSRF the PWS Section involved stakeholders in a detailed process for the FY 1997 grant allocation to determine if, and to what extent, the available set-asides would be used; what continuing positions would be created and funded; and to determine the priority needs in the state. This portion of this Intended Use Plan covering set-asides is a continuation of the programs and projects approved in previously approved IUPs. This set-aside plan continues funding for salaries and support for the positions that are created through the DWSRF.

4C. Description of set asides for non-project activities

4C1. Program Administration

The State will allocate four percent of the Capitalization Grant for program administration. The DWSRF will be administered by the PWS Section with support from the Division of Water Quality for payments and reimbursements. This set-aside is used for salaries and associated expenses of 6.2 people. These positions are necessary for the administration and management of the program; financial management; capacity development implementation; legislation and rule making; application solicitation and review; development of yearly comprehensive project priority lists; conducting the DWSRF needs survey every four years; managing services by vendors and other state agencies; data management; reporting; and records keeping. These funds will also be used to procure all equipment and training necessary for the adequate performance of staff on related duties. Technical assistance to water systems in completing the loan

applications, as well as to other small water systems will be funded through this set-aside. Partial funding for a DWSRF Environmental Engineer is provided in this set-aside. This IUP also continues funding support for the Environmental Review process engineer, as well as partial funding availability for an Engineering Manager and an SRF Engineer with some duties related to DWSRF program implementation, including loans and set-asides. A new SRF Engineer has been added due to the increase in revolving fund availability, additional program requirements related to special conditions and increased inspections. Additional staff or contractors may assist systems with the preparation for identification and documentation of needs for EPA Needs Surveys. The Section will use temporary, time-limited or permanent staff as needed.

4C2. Technical Assistance for Small Systems

The State will allocate two percent of the Capitalization Grant to provide technical assistance to small water systems. This money is used jointly by the PWS Section and the North Carolina Rural Water Association (NCRWA). The PWS Section will provide funding support for three positions in regional offices. The NCRWA contract will continue the support of one circuit rider. Assistance provided with these funds must be directed to public water systems serving a population of less than 10,000. A list of some of the general activities to be performed and assistance to be provided using this money is as follows:

- Investigate MCL violations and identify corrective actions.
- Investigate and evaluate systems malfunctions or operational problems and advise regarding corrective actions.
- Inspect systems for compliance with required design standards and advise regarding needed modifications.
- Interpret sample results and advise regarding health risk.
- Interpret and advise concerning regulatory or monitoring requirements.
- Assist with sample siting plans.
- Provide emergency response to water outages and other serious conditions.
- Train operators and provide hands-on assistance when needed.
- Investigate and advise concerning source water contamination and water source selection.
- Assist in setting up pilot studies.
- Assist with capacity development and source water protection activities.
- Provide water system security assistance.
- Provide water systems with public notice assistance.

4C3. Administration of Public Water System Supervision Program.

Ten percent of the Capitalization Grant will be used for this set-aside primarily to supplement the Public Water System Supervision Grant from EPA for salary and support for basic program implementation of the Safe Drinking Water Act. The set-aside provides funding for 20 staff plus any additional permanent, time-limited, or temporary

positions, as resources allow, or contracts, as well as additional staff to cover additional resources needs due to new tasks or reduced state budgets. This set-aside funds two positions that serve specialty functions.

- One position is the primary coordinator for ensuring capacity development concepts and activities continue to be developed and implement through the section.
- In addition, one position exists to facilitate development of and coordinate the Source Water Protection Program. This source water protection engineer serves as the coordinator for developing, implementing and managing a source water protection program, including coordination with delineation and assessment activities, wellhead protection program activities and other state agencies.

4C4. Local Assistance and Other State Programs

Fifteen percent of the Capitalization Grant will be used for Local Assistance and Other State Programs. Activities include wellhead protection, capacity development, and loans for land acquisition.

4C4a. Loans for Land Acquisition

The State will allocate a portion of the Capitalization Grant for a loan program for land acquisition and conservation easements. A state may fund several categories of activities, including loans to finance the purchase of property for land acquisition and/or conservation easements intended to facilitate source water protection. These loans would only be available to units of local government where the proposed project is a component of a Source Water Protection Plan that has been approved by the PWS Section. This loan program will provide incentive to implement source water protection planning at the local level. Principal and interest payments will be transferred into the general DWSRF and used for future standard project loans.

4C4b. Wellhead Protection

The State will allocate a portion of the Capitalization Grant for the Wellhead Protection (WHP) Program from this set-aside. Valuable information, tools and interest for protecting public water supplies have been generated by the Source Water Assessment Program (SWAP) developed and implemented with funding from the FY 97 grant. This set-aside funds four positions within the PWS Section.

This set-aside includes a contract for technical assistance for local wellhead protection efforts with NCRWA that supports one or more technicians to assist in the preparation of wellhead protection plans. Included also is funding for contractors, equipment and supplies to: identify public water supply well and potential contaminant source (PCSs) locations within wellhead protection areas, update the system inventory, computerize records, and conduct well inspections. These funds will also provide for maintenance and necessary upgrade of the computer applications used to complete source water assessments. This includes software and hardware upgrades to allow for efficient operation of the applications and data conversions to allow expanded use of Global

Positioning System (GPS) and Geographic Information System (GIS) data in analytical work. It also may include enhanced data management and internet access to system data through SDWIS State, or its subsequent replacement, such as SDWIS NextGen.

4C4c. Capacity Development

Support for capacity development will be continued through allocation of a portion of the Capitalization Grant for these activities. Funding will be used for contracts, purchase of equipment and to fund eleven positions.

5. Comprehensive Project Priority List (CPPL)

The *Comprehensive Project Priority List* (CPPL), has been split into two Attachments. Attachment B-1, *CPPL / Applications Ready to Proceed by Deadline to Proceed*, shows those applications that are ready to proceed, their relative ranking, and proposed funding from the 2012 DWSRF. Priority ranking is not relevant for applications that are not ready to proceed, because Funds will be committed to ready to proceed applications. So Attachment B-2, *CPPL / Applications Not Ready to Proceed by Deadline*, shows those applications that are not RTP in alphabetical order.

Attachment C, *Proposed Order of Allocation for any 2013 Funds*, shows only the applications receiving high enough priority to be eligible for additional subsidization from the 2013 DWSRF. Congress has not yet provided funding for the 2013 DWSRF and therefore the amount available, if any, for principal forgiveness is currently unknown. Once the 2013 DWSRF funding amount is known, the PWS Section will allocate the available funds in keeping with Attachments B and C, including any required funding for additional subsidization or Green Projects.

This IUP includes applications reviewed after the September 30, 2012 deadline. As requested by EPA, the PWS Section will apply both the 2012 and 2013 Capitalization grants to applications on the combined 2012 and 2013 CPPL that have not yet accepted funding. Attachments B-1 and B-2 show that by the September 30, 2012 deadline, the PWS Section received 76 applications requesting $253,307,061 in loans for eligible projects.

Fifteen percent of the Capitalization Grant must be loaned to systems serving fewer than 10,000 people. Attachment D, *Applications from Small Systems*, shows that no adjustment to the priority points was necessary to meet the requirement.

Actual project funding depends on meeting the “ready-to-proceed” (RTP) criteria described in Section 9 of this IUP. In accordance with 15A NCAC 1N .0701(b), the Loans and Grants Unit, Technical Services Branch, of the PWS Section needed documentation of RTP by the RTP deadline of September 30, 2012. Sharing one deadline for both application submittal and ready-to-proceed helped ensure that the applications received are for viable, well-developed projects genuinely needing DWSRF funding, and will also shorten the lag time between application and commencement of the project.

The PWS Section will fund those projects that documented being RTP by the RTP deadline in descending priority order. Within the limitations of 1N .0201(c) and the reserves for the Additional Subsidization and the Disadvantaged Community Program (DCP), the PWS Section will bypass projects that did not document being RTP by the RTP deadline in favor of other projects that did document being RTP by the RTP deadline. Projects that document RTP after the RTP deadline will be funded only as funding may become available and in the order in which the projects document RTP. Projects that document RTP on the same date will be funded in priority order. Applicants are strongly encouraged to communicate regularly with PWS Section staff regarding their RTP status to help ensure submitted documentation met minimum requirements before the submittal deadline of September 30.

Some projects on the CPPL are deemed "ineligible," usually because too much of the project consists of ineligible components (e.g., dams or projects solely for future growth). These projects are considered to be "on the CPPL" but are not scored. After the RTP deadline, the applicant can correct all deficiencies that made the application ineligible (e.g., the applicant can split an eligible portion from the rest of an ineligible project). The applicant can then document ready-to-proceed status for the corrected application. However, the PWS Section shall prioritize such corrected application below fully funding all eligible projects including all bypassing. The corrected application shall not be eligible for "additional subsidization" until it has appeared on an EPA-approved CPPL as an eligible project. The PWS Section shall prioritize between corrected applications by RTP date, with population as a tiebreaker (lower population is higher priority).

The PWS Section will dispose of applications that are not made complete before the second year's application deadline. The applicant must submit a new and complete application for further review.

The Public Water Supply Section implements the requirements of the 2008 Drought Bill for applications received by September 30 2012. [NCGS §143-355.4(b)] The implementation was more fully explained in a Procedures memo on May 22, 2012.

> Applicants are strongly encouraged to submit applications well before the annual September 30 deadline if they want comments regarding missing documentation that might hurt eligibility or priority ranking. If requested, the PWS Section will provide comments by September 1, for all applications received by June 1.

6. Description of Criteria and Methods Used for Distribution of Funds

6A. Set-Aside Accounts. Division of funds between the monies to be used for set-aside purposes and those to be used for construction loan/project purposes, including the required state match of 20 percent, are detailed in Attachment A.

6B. Conduct of the Drinking Water State Revolving Fund. The provisions of 40 CFR Parts 9 and 35 Drinking Water State Revolving Funds, the Operating Agreement, and the North Carolina Drinking Water State Revolving Fund Rules, identified as 15A NCAC 1N,

guide the administration of the DWSRF program on a day-to-day basis. These guides are available on the PWS Section website at http://www.ncwater.org/pws/.

6C. Capacity Development Reviews. All public water systems receiving funding from the DWSRF must be reviewed to ensure that they can demonstrate adequate technical, financial, and managerial capacity {Water System Management Plan, NCAC 15A 18C .0307(c)} to operate the water system in compliance with the SDWA. A regulatory process was developed and has been approved by EPA as adequate to ensure technical, financial, and managerial capacity is demonstrated. This is measured by the issuance of an Authorization to Construct for the process occurring after capacity development criteria are reviewed and satisfied. The NC Local Government Commission (LGC) evaluates financial capacity. The LGC oversees annual financial auditing of local governments and must approve any DWSRF funding to ensure the applicant has adequate financial capacity to operate the system and pay off the debt. A water system that lacks adequate capacity in one or more categories might remain eligible for funding if a strategy that would resolve the problem or issue can be developed and attached as a condition of the loan approval.

6D. Determination of priority rating points. Each application, or independent eligible portion under 15A NCAC .01N .0502(d), is judged and receives priority category and points in accordance with Section II.S. of the Operating Agreement (OA). This OA and the Drinking Water State Revolving Fund Rules in 15A NCAC 01N can be found online at http://www.ncwater.org/pws/srf/Rules/index.htm. In accordance with the OA, the 1N rules, CFR, and the SDWA, the State reviews each project description to ensure eligibility and that the proposed project addresses the most serious risk to human health or is necessary to ensure compliance with the requirements of the amended SDWA. The tie breaker for projects with the same public health and compliance category and priority points total is system population, with the smaller population being granted higher priority.

SRF program engineers and at least one regional staff person familiar with the respective public water system review each application. Following these reviews, PWS Section personnel further refine scores and present them to a supervisory committee. This committee provides an oversight role as well as final score and eligibility determination based on the application content. Public review offers the applicants opportunities to present arguments and comments if they thought that the state misinterpreted the information presented in their application packages, however, no new documentation is accepted.

The PWS Section may add proposed projects to the IUP to address unanticipated emergency situations. The qualifying criterion is that the Secretary of DENR determines that a serious public health hazard or a drought emergency that was not reasonably foreseeable is present or imminent for a public water supply system. Such actions will be reported in the Annual Report. The state low interest emergency revolving loan account for such situations may lack sufficient funds.

T15A NCAC 01N .0401 establishes the application deadline as September 30 of each year. Applications for projects may be submitted any time before the application deadline.

The Public Water Supply Section does not consider information or documentation submitted after the application deadline for that review cycle except as described in Section 5. Under T15A NCAC 01N .0502(e), the Public Water Supply Section will reconsider information received after the application deadline during the next year's review cycle.

6E. Withdrawal of applications. In accordance with T15A NCAC 01N .0402(e), an application that is withdrawn from consideration by request of the applicant must be resubmitted as a new application to be considered again.

An applicant that declines any offer of funding has withdrawn the application from consideration for funding. The applicant will have the option of resubmitting a new application for the same project during another application period.

6F. Funds dedicated to specific project. The Applicant can use the funds only for the eligible project as defined in the application and associated materials, and as clarified in the Offer and Acceptance documents (Part A and Part B). Applicants cannot re-direct funding from the eligible project. At the completion of the funded project the PWS Section will de-obligate all funds that are not spent on the eligible project to the DWSRF Fund to fund other applications.

7. Additional Subsidization - Twenty Percent Reserve

The PWS Section targets the required twenty percent "additional subsidization" toward disadvantaged communities and toward systems with high rates relative to median household income.

The first (disadvantaged communities) component of the additional subsidization program is projects initiated by the Public Water Supply Section to consolidate and eliminate non-viable water systems. In this context a Disadvantaged Community is a community served by a public water system that lacks capacity as defined in the Safe Drinking Water Act, Sections 1420 and 1452(a)(3). The PWS Section will make a principal forgiveness loan and/or reduced interest loan to the most appropriate public water system having capacity that is willing to take over and eliminate the non-viable system. In most cases this will consist of a project to run supply to and replace the distribution system in the Disadvantaged Community. Because these projects are initiated by the PWS Section no application cycle applies. These projects may not appear on the Comprehensive Project Priority List, but count toward the additional subsidization reserve and will be reported in the annual report and other periodic reports.

The second component of the additional subsidization program makes applications submitted for systems with high rates relative to median household income eligible to

receive additional loan subsidization. A system with high rates relative to median household income is defined by the ratio of the current average water bill for 4,500 gallons to median household income (the "rate to MHI Ratio") being greater than or equal to 0.85 percent. The PWS Section calculates eligibility for additional subsidization for second component projects based on the official rate sheets, connection information provided in the application and adjusted, published MHI data.

If there are insufficient RTP first and second component applications to exhaust the reserve, the Public Water Supply Section will provide additional subsidization to RTP projects in priority order without considering either status as a disadvantaged community or rates relative to median household income. These RTP projects form the third component of the additional subsidization program.

Second and third component funding is 80 percent principal forgiveness loan and 20 percent zero-interest loan. This ratio between principal forgiveness and zero-interest loans will be maintained as the project's estimated cost changes during the project's life cycle. That is, the applicant must repay 20 percent of the final DWSRF amount disbursed. As is the case for all PWS Section funding programs, the funding is limited to the eligible project as defined in the application and associated materials, and as clarified in the Offer and Acceptance documents (Part A and Part B).

In accordance with Section 6F of this IUP, the PWS Section will de-obligate any funds not used on the eligible project.

8. Green Project Reserve

The 2012 DWSRF appropriation did not require any Green Project Reserve. Therefore, North Carolina will have no green project reserve. If the 2013 Capitalization Grant includes a Green Project Reserve, the Section will meet it following procedures described in the 2011 Capitalization Grant IUP.

9. Program Changes

To make the most efficient and expedient use of available federal funding, and to benefit from experience administering ARRA and the DWSRF programs, the PWS Section made changes to the definition of "ready-to-proceed" (RTP) and to the RTP deadline.

9A. <u>Need for this "catch-up" IUP and implications for the Two-year Funding Cycle.</u>
Historically, to know the Congressional allocation prior to applying for the grant, the Section applied for its capitalization grant late in the two-year grant application cycle. However, to reduce the amount of not-yet-applied-for grant money, the USEPA has strongly encouraged the Section to apply for both the 2012 and 2013 capitalization grants at the same time. Because T15A NCAC 01N .0401 establishes the application deadline as September 30 each year, the PWS Section is not able to hold two review rounds. Further, in accordance with NCGS 159G-39, the Section must reconsider all unsuccessful applications during a second application review period.

The Section will apply both the 2012 and 2013 capitalization grants to projects on one combined 2012 and 2013 CPPL. Because the combining of two EPA grants into one application cycle creates one combined IUP, unfunded applications first appearing in this IUP will receive their second review for the 2014 IUP, approximately one year from now.

9B. Changes for 2012 and 2013. Last year, the 2011 IUP outlined changes that would occur in this 2012 IUP. At that time, the PWS Section did not know that this IUP would include both the 2012 and 2013 capitalization grants, but the review procedures remain as outlined. As described in the 2011 IUP, "ready to proceed" deadline for the 2012 and 2013 IUP was September 30, 2012.

9C. Proposed changes for the 2014 IUP. The PWS Section will implement the 2014 IUP, prepared from the September 30, 2013 applications, in a fashion similar to this 2012 and 2013 IUP. Applications for projects may be submitted any time during the year up to the application and the ready-to-proceed (RTP) deadline of September 30th. The joining of the application and deadlines will continue for future cycles, as will placing applications on the two Comprehensive Project Priority Lists (as NCGS 159G-39(c) requires).

9C1. Affordability Priority Points

The Operating Agreement in OA S.1.d describes affordability as the ratio between the current monthly residential user cost to the median household income (MHI). The existing DWSRF prioritization scheme heavily weights the affordability of the project, which accounts for nearly 50 percent of all priority points. Currently, a project with a rate greater than 1.00 percent of the MHI earns 20 priority points for affordability. Recent applications have included rates exceeding 1.50 percent of MHI, which suggests that additional priority points for higher rates are warranted.

The current scale will be replaced with the following:

Rates = 0% to .09% MHI	0 points
Rates = 0.10% to 0.19% MHI	2 points
Rates = 0.20% to 0.29% MHI	4 points
Rates = 0.30% to 0.39% MHI	6 points
Rates = 0.40% to 0.49% MHI	8 points
Rates = 0.50% to 0.59% MHI	10 points
Rates = 0.60% to 0.69% MHI	12 points
Rates = 0.70% to 0.79% MHI	14 points
Rates = 0.80% to 0.89% MHI	16 points
Rates = 0.90% to 0.99% MHI	18 points
Rates = 1.00% to 1.09% MHI	20 points
Rates = 1.10% to 1.19% MHI	22 points
Rates = 1.20% to 1.29% MHI	24 points
Rates = 1.30% to 1.39% MHI	26 points
Rates = 1.40% to 1.49% MHI	28 points
Rates = 1.50% or greater MHI	30 points

With this change, project affordability will account for 57 percent of all available priority rating points, helping to direct DWSRF funding to projects with fewer financial resources and financing options.

9C2. Additional Subsidization

If Congress requires additional subsidization with the 2014 Capitalization Grant, the process will be revised as described below.

Proposal to eliminate the eligibility threshold: For the 2014 IUP, the PWS Section is considering eliminating the rate-to-MHI threshold for eligibility for additional subsidization. The PWS Section would award any additional subsidization strictly in accordance with ranked priority as described in 6D above.

With the additional affordability priority points as described in 9C1, this simplification will provide greater balance between funding for projects with high priority ranking, and systems with a greater need for financial assistance.

Alternative proposals for thresholds: However, it is also desirable not to award additional subsidization to the most financially well-off systems that do not need any subsidy. Therefore, the PWS Section is also considering new thresholds for ineligibility for additional subsidization:

- The Section is considering making systems with rates below some threshold ineligible for additional subsidization. The Section is considering a threshold somewhere in the range of 0.50 to 0.75 percent of MHI. For comparison, the statutory threshold for the historical high unit cost grant program was 0.75 percent of MHI.
- The section is also considering making a system with a population greater than 10,000 ineligible for additional subsidization.

The decision regarding any changes to the allocation of mandatory additional subsidization will be published in the 2014 IUP.

9C3. Disadvantaged Community Program

As has been historically true, Category 1 projects initiated by the PWS Section to eliminate non-viable water systems will remain eligible for additional subsidization. Details of Category 1 are otherwise unchanged.

10. Public Participation

Public notification as to the availability of the IUP was placed on the PWS Section website on January 9, 2013 and was advertised in eleven newspapers by January 21, 2013. A Public Meeting was held on January 30, 2013, in Raleigh to gather comments on the IUP from interested parties and the public. The meeting officer's record of the

meeting and a summary of any comments received are a part of the application package to EPA.

11. Transfer Between DWSRF and CWSRF

Transfer of funds between the DWSRF and the Clean Water State Revolving Fund (CWSRF) are authorized by federal statutes. This IUP does not propose any such transfer of funds.

12. Transfer of Funds from Set-Asides into Standard Project Accounts

Funds for Local Assistance and Other State Programs can be reallocated among the five different activities or transferred to project fund, based upon the needs of the eligible water systems for any given year upon approval of grant amendment. At any time, the DWSRF Administrator can transfer any unspent funds to the project fund. Once transferred, these funds must remain as part of the project fund.

During the fiscal year, North Carolina transferred the following set-asides into the project fund. North Carolina reserves the authority to take these reserved monies from a future capitalization grant to fund these set-aside activities:

Set Asides moving to projects in FY 2013 and reserving future rights

FUND NAME	FUND XX=FY	FUNDS MOVING TO PROJECTS	FUNDS MOVING TO PROJECTS	FUNDS MOVING TO PROJECTS	TOTAL FUNDS MOVING TO PROJECTS
		07 FUNDS	08 FUNDS	09 FUNDS	
Administration	**63XX**	$ 6,777.93	$ 647,293.09	$1,096,560.00	$ 1,750,631.02
State Program Management	**64XX**	$ 18,684.55	$ 0.00	$ 652,908.75	$ 671,593.30
Small System TA	**65XX**	$ 0.75	$ 135,110.76	$ 321,050.79	$ 456,162.30
Wellhead	**66XX 6X21**	$ 680.39	$ 936,109.52	$1,304,250.00	$ 2,241,039.91
Capacity Development	**66XX 6X22**	$ (0.00)	$ 401,533.89	$1,324,580.00	$ 1,726,113.89
Loan Acquisition	**66XX-6X40**	$ 1,564,450.00	$1,483,270.00	$1,483,270.00	$ 4,530,990.00
	TOTAL	**$ 1,590,593.62**	**$3,603,317.26**	**$6,182,619.54**	**$ 11,376,530.42**

Attachment A

Financial Plan

Fiscal Years 2012 & 2013 DWSRF IUP

	2012	2013	Total
North Carolina Capitalization Grant	$23,537,000	$23,537,000	$47,074,000
Non-Project Set-Asides	$7,296,470	$7,296,470	$14,592,940
1. Administration - 4%	$941,480	$941,480	$1,882,960
2. State Program Management - 10%	$2,353,700	$2,353,700	$4,707,400
3. Technical Assistance - 2%	$470,740	$470,740	$941,480
a. NC Public Water Supply	$271,526	$271,526	$543,052
b. Other Contracts	$199,213	$199,213	$398,426
4. Local Assistance & Other State Programs - 15%	$3,530,550	$3,530,550	$7,061,100
a. Land acquisition	$312,605	$312,605	$625,210
b. Wellhead protection	$864,245	$864,245	$1,728,490
NC Public Water Supply	$517,900	$517,900	$1,035,800
Contracts, Equipment and Supplies	$346,345	$346,345	$692,690
c. Capacity development	$2,353,700	$2,353,700	$4,707,400
Total Federal Dollars for Project Loans	$16,240,530	$16,240,530	$32,481,060
State Match - All For Project Loans	$4,707,400	$4,707,400	$9,414,800
Total Federal & State dollars for Project Loans	$20,947,930	$20,947,930	$41,895,860
Mandatory Federal Dollars Toward:			
Disadvantaged Community / Additional Subsidization - 20%	$4,707,400	$4,707,400	$9,414,800
Small Systems - 15%	$3,530,550	$3,530,550	$7,061,100
Green Project Reserve - 0%	N/A	N/A	N/A

Attachment B-1
CPPL/ Applications Ready to Proceed by Deadline

Sorted by Category, Rating, Population, WIF# and Applicant
Filtered by RTP <= Oct. 1, 2012

(Showing proposed 2012 Allocation)
Fiscal Years 2012 and 2013 DWSRF IUP

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1760	Martin	Martin County Regional Water And Sewer Authority	Construction of a new surface-water, 2-MGD water treatment plant to allow reduction in groundwater withdrawals mandated by CCPCUA rule.	2	28	$2,013,000	$2,013,000	$2,013,000	$1,610,400	$1,610,400	9/30/2012
1720	Alexander	Taylorsville, Town of	Efficiency/redundancy/reliability improvements for existing and proposed facilities co-managed with Energy United Water Corporation. Replace one booster pump station and rehabilitate another plus backup power; install two tank mixers; replace 2,750 existing service meters with automated meter reading (AMR) technology; construct 12,900 LF of 8-inch waterlines parallel to existing waterlines to reduce head loss, two PRV vaults.	3	40	$1,475,000	$1,475,000	$1,475,000	$1,180,000	$1,180,000	5/30/2012
1768P	Alamance	Ossipee, Town of	Planning loan to design/scope a proposed interconnection with the City of Burlington. Proposed project would result in the Town decommissioning their three supply wells and becoming a purchased water system. T15A NCAC 01N .0701(c) limits a planning loan to $25,000 ($20,000 in principal forgiveness).	3	31	$261,010	$261,010	$25,000	$20,000	$20,000	9/30/2012
1731	Lenoir	Pink Hill, Town of	Replace 489 existing service meters with automated meter reading (AMR) technology.	3	29	$219,255	$219,255	$219,255	$175,404	$175,404	9/30/2012
1733	Bertie	Aulander, Town of	Replace 620 existing service meters with automated meter reading (AMR) technology.	3	29	$222,345	$222,345	$222,345	$177,876	$177,876	9/30/2012
1643	Davidson	Denton, Town of	Waterline replacement & WTP rehab: Install approx. 2,500 LF 8-inch & 9,500 LF 6-inch W/L; Optimize existing WTP to allow its operation at existing rated capacity of 2.25 MGD (presently operates at 1.75 MGD).	3	29	$3,604,691	$3,604,691	$3,000,000	$2,400,000	$2,400,000	9/28/2012
1676	Wilson	Black Creek, Town of	Replace 770 existing service meters with automated meter reading (AMR) technology. Replace a 50-hp three-phase well pump with 50-hp variable frequency drive (VFD) well pump to reduce energy consumption.	3	28	$490,518	$490,518	$490,518	$392,414	$0	1/16/2012
1673	Stanly	Greater Badin Water & Sewer District	Install approx. 25,530 LF of 6" W/L; 20,540 LF of 8" W/L; 15,280 LF of 12" W/L; 650 AMR-type meters; and a pressure-reducing station and a master meter w/vault to replace the entire existing GBW&SD distribution system. Project also calls for GBW&SD to be disconnected fully from the ex. pressure/storage source (1.25-MG G/T on nearby ALCOA industrial site) and connect directly to the ex. Stanly Co. distribution network (current source for GBW&SD). Project will address known water quality (age/turnover) and quantity (distribution system losses) issues; replace aged and outdated infrastructure that has exceeded its lifecycle; will reduce the overall footprint of the system by reducing the total linear footage of waterline and the number of hydrants; will "right size" the system by removing entirely all undersized and oversized waterlines; and will not increase capacity.	3	27	$5,948,630	$5,948,630	$3,000,000	$2,400,000	$0	5/31/2012
1695	Anson	Wadesboro, Town of	Replace 2,474 existing service meters with fixed network automated meter reading (AMR) technology.	3	27	$959,000	$959,000	$959,000	$767,200	$0	6/8/2012
1747	Duplin	Duplin County Regional Water System-District E	Replace approximately 857 existing service meters with automated meter reading (AMR) technology.	3	27	$364,000	$364,000	$364,000	$291,200	$0	9/30/2012
1779	Wilkes	North Wilkesboro, Town of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part I: Construct approximately 19,550 LF of 36-inch and 17,300 LF of 20-inch raw-water transmission main to convey raw water from the proposed tie-in point (see Construction/Part II, WIF # 1780) toward the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	24	$8,257,310	$8,257,310	$3,000,000	$2,400,000	$0	9/30/2012

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1751	Edgecombe	Edgecombe County Water and Sewer District No. 1	Replace 1,413 existing service meters with automated meter reading (AMR) technology.	3	24	$428,464	$428,464	$424,464	$342,771	$0	9/30/2012
1780	Wilkes	Wilkes, County of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part II: Construct proposed 24-MGD raw-water intake structure; 24-MGD raw-water pump station; an electrical-controls building (to be located on Reservoir Road); and approximately 3,000 LF of 36-inch raw-water transmission main (from pump station to intersection of Reservoir Road/Hwy 268) to tie-in and feed the proposed raw-water transmission main (Construction/Part I, WIF#1779). The project will provide an additional raw-water source for the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	23	$5,598,475	$5,598,475	$3,000,000	$2,400,000	$0	9/30/2012
1711	Jackson	Tuckaseigee Water and Sewer Authority	Construct proposed 1.5-MG clearwell and associated high-service pump station on site of TWSA's existing WTP facility. Proposed c/w will replace TWSA's improvised "clearwell" (the ex. 0.5-MG "WCU" tank, which will be converted to a dedicated, finished-water storage tank only).	3	22	$1,561,300	$1,561,300	$1,561,300	$0	$0	6/1/2012
1738	Duplin	Duplin County Regional Water System-District F	Replace 462 existing service meters with automated meter reading (AMR) technology.	3	22	$188,000	$188,000	$188,000	$150,400	$0	9/30/2012
1739	Duplin	Duplin County Regional Water System-District D	Replace approximately 1,189 existing service meters with automated meter reading (AMR) technology.	3	22	$480,000	$480,000	$480,000	$384,000	$0	9/30/2012
1746	Duplin	Duplin County Regional Water System-District G	Replace approximately 1,211 existing service meters with automated meter reading (AMR) technology.	3	22	$462,000	$462,000	$462,000	$369,600	$0	9/30/2012
1749	Duplin	Duplin County Regional Water System-District A (Albertson W&S District)	Replace approximately 27 two-inch industrial service meters with automated meter reading (AMR) technology.	3	22	$44,000	$44,000	$44,000	$35,200	$0	9/30/2012
1750	Duplin	Duplin County Regional Water System-District B	Replace approximately 522 existing service meters with automated meter reading (AMR) technology.	3	22	$212,000	$212,000	$20,048	$169,600	$0	9/30/2012
1748	Lenoir	North Lenoir Water Corporation	Replace approximately 5,784 existing service meters with automated meter reading (AMR) technology.	3	21	$2,200,000	$2,200,000	$0	$1,760,000	$0	5/31/2012
1765	Vance	Kittrell Water Association, Inc.	Replace all (approximately 365) aged meters with fixed-base automated meter reading (AMR) technology.	3	20	$349,971	$349,971	$0	$279,977	$0	9/30/2012
1698	Bladen	Bladenboro, Town of	Replace 1,214 existing service meters with automated meter reading (AMR) technology and install fixed read transceiver at the elevated storage tank.	3	19	$746,946	$746,946	$0	$0	$0	9/30/2012
1682	Franklin	Louisburg, Town of	Replace 89 existing service meters for large customers with automated meter reading (AMR) technology.	3	19	$213,560	$213,560	$0	$170,848	$0	9/30/2012
1672	Orange	Orange-Alamance Water System, Inc.	Replace 3,300 existing service meters with automated meter reading (AMR) technology.	3	19	$689,000	$689,000	$0	$551,200	$0	9/30/2012
1686	Cumberland	Spring Lake, Town of	Replace 5,451 existing service meters with fixed-base automated meter reading (AMR) technology.	3	19	$2,293,709	$2,293,709	$0	$0	$0	9/30/2012
1764	Anson	Peachland, Town of	Replace 234 existing service meters with automated meter reading (AMR) technology.	3	16	$142,290	$142,290	$0	$113,832	$0	9/30/2012
1775	Sampson	Garland, Town of	Replace all (approximately 365) residential meters, two bulk meters & two production well meters with automated meter reading (AMR) technology.	3	16	$240,550	$240,550	$0	$192,440	$0	9/30/2012
1737	Greene	South Greene Water Corporation	Replace approximately 1,036 existing service meters with automated meter reading (AMR) technology.	3	16	$580,000	$580,000	$0	$0	$0	9/30/2012

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1767	Wilkes	Broadway Water Association, Inc.	Replace 1,231 existing meters with automated meter reading (AMR) technology.	3	16	$226,960	$226,960	$0	$0	$0	9/30/2012
1704	Haywood	Waynesville, Town of	Replace 1,400 existing service meters with automated meter reading (AMR) technology.	3	11	$329,868	$329,868	$0	$0	$0	5/31/2012
Total Projects =	**30**			***Total Amounts =***		**$40,801,852**	**$40,801,852**	**$20,947,930**	**$18,734,362**	**$5,563,680**	

PF* = Principal Forgiveness; reserve = $4,706,100

Report Name: rptAttachmentB-1

Attachment B-2
CPPL/ Applications Not Ready to Proceed by Deadline
Fiscal Years 2012 and 2013 DWSRF IUP

Sorted by Applicant

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness	
							Eligible	Allocated	Eligible	Allocated
1766	Stanly	Albemarle, City of	"US Hwy 52" WTP Rehab: Bulk chem-feed containment system; new flash mixer and paddles; replace all chem-feed pumps; replace filter controls etc.; evaluate and possibly replace filter media and bottoms; remove and/or replace numerous pumps sets; and so forth.	3	11	$6,388,300	$6,388,300	$0	$0	$0
1758	Wake	Apex, Town of	Planning loan for Cary/Apex Water Treatment Plant expansion (WTP) from 40 MGD to 56 MGD (29% increase in capacity). Peak Day Demand has exceeded 80% of the WTP capacity and is approaching 90% of the WTP capacity despite implementation of a proactive water conservation effort and continued expansion of the reclaimed water system. WTP expansion is to meet current demand in the existing service area and accommodate reasonable expected near-term growth.	3	16	$15,295,000	$15,295,000	$0	$0	$0
1690	Warren	Aqua North Carolina, Inc.	**INELIGIBLE** Construct 500,000-gallon elevated storage tank to serve future growth. Project is ineligible because it is for future growth and addressed no identified public health need.	9	0	$2,091,764	$0	$0	$0	$0
1670	Mitchell	Bakersville, Town of	Install an iron-removal system at the Town's "Linda Lane" well, and rehabilitate the well-head assembly at the Town's "Reservoir" well.	3	21	$653,000	$653,000	$0	$0	$0
1728	Beaufort	Bath, Town of	Replace leaking 10kgal hydropneumatic tank, 6,750 gallon raw water detention tank and aerator, two service transfer pumps, accessories and controls with equipment of equal capacity and function.	3	16	$251,838	$251,838	$0	$201,470	$0
1732	Beaufort	Belhaven, Town of	Water and Edward Streets Waterline Replacement - Replace 4,000 feet of deteriorating 4-inch cast iron pipe with 6-inch PVC pipe; replace 70 service connections and perform full lead service line replacement as necessary.	3	21	$233,425	$233,425	$0	$186,740	$0
1756	Johnston	Benson, Town of	Replace approximately 11,000 LF of 6", 500 LF of 10", and 400 LF of 8" waterlines which are old and deteriorated, and add two pressure reducing valves and master meter that will alow bi-directional flow to and from Johnston and Harnett Counties.	3	18	$199,050	$1,351,050	$0	$0	$0
1752	Bladen	Bladen, County of	Replace 5,400 existing service meters with automated meter reading (AMR) technology including a fixed transceiver on an elevated storage tank.	3	16	$2,478,000	$2,478,000	$0	$0	$0
1778	Transylvania	Brevard, City of	Construct two ground storage tanks each 0.75 MG to replace existing 1 MG ground storage tank with a failing roof	4	25	$2,401,000	$2,401,000	$0	$1,920,800	$0
1757	Wake	Cary, Town of	Planning loan for Cary/Apex Water Treatment Plant expansion (WTP) from 40 MGD to 56 MGD (29% increase in capacity). Peak Day Demand has exceeded 80% of the WTP capacity and is approaching 90% of the WTP capacity despite implementation of a proactive water conservation effort and continued expansion of the reclaimed water system. WTP expansion is to meet current demand in the existing service area and accommodate reasonable expected near-term growth.	3	23	$51,205,000	$51,205,000	$0	$0	$0
1684	Bladen	Clarkton, Town of	Replace 374 existing service meters with automated meter reading (AMR) technology.	3	27	$83,900	$83,900	$0	$0	$0
1702	Sampson	Clinton, City of	Expand existing 1.5 MGD WTP by 1.5 MGD to end over pumping wells to meet current demand. Construct three new pressure filters, aeration basin, settling basin and appurtenances, building to house pressure filters, six new wells, redundant transmission main, raw waterlines, finished waterlines, and 0.5 MG elevated storage tank. Note that the related reclaimed water project is to be funded by USDA.	3	22	$6,320,330	$6,320,330	$0	$0	$0

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness	
							Eligible	Allocated	Eligible	Allocated
1726	Columbus	Columbus County W & S District IV	Hallsboro Area Water System Improvements to provide water service to 115 existing homes that experience problems with shallow private wells of poor water quality and capacity. Construct one 100,000-gallon elevated storage tank; retrofit three supply wells with higher capacity pumps, chemical feed systems, and SCADA; install approximately 28,000 feet of 2-inch through 12-inch distribution waterlines.	4	21	$1,924,795	$1,924,795	$0	$1,539,836	$0
1770	Columbus	Columbus County Water and Sewer District II	Install approximately 43,000 LF of 2-inch and six-inch waterlines to serve 105 existing lots currently served by private wells.	4	21	$1,043,764	$1,043,764	$0	$835,011	$0
1730	Chowan	Edenton, Town of	Drill four new exploratory wells and perform laboratory and field testing to identify a suitable location for two supply wells needed to meet existing maximum daily demand.	3	11	$205,450	$205,450	$0	$0	$0
1776	Cumberland	Fayetteville Public Water Commission	Phase II - PWC WTP expansion from total capacity of 50 MGD to 66 MGD (16 MGD) 25% increase in capacity. Peak Day Demand has reached 79% of capacity. The Defense Base Closure and Realignment Commission (BRAC) is causing an influx of military and civilian personnel to work at the Fort Bragg Military Base (FBMB). According to recent Local Water Supply Plan updates, the PWC service population increased by over 19,000 during the year between 2010 through 2012.	3	17	$29,763,780	$29,763,780	$0	$0	$0
1761	Cumberland	Fayetteville Public Works Commission	P.O. Hoffer WTP rehabilitation will address aging infrastructure and improvements to the existing 32 MGD WTP without expansion.	3	17	$16,330,362	$19,132,220	$0	$0	
1777	Cumberland	Fayetteville Public Works Commission	Phase III - Residual Handling Improvements to meet PWC system expansion from total capacity of 50 MGD to 66 MGD (16 MGD) 25% increase in capacity. Peak Day Demand has reached 79% of capacity. The Defense Base Closure and Realignment Commission (BRAC) is causing an influx of military and civilian personnel to work at the Fort Bragg Military Base (FBMB). According to recent Local Water Supply Plan updates, the PWC service population increased by over 19,000 during the year between 2010 through 2012.	3	17	$10,200,000	$10,200,000	$0	$0	$0
1772	Graham	Fontana Dam, Town of	Construct a proposed 0.5-MGD WTP to replace the existing, approximately 70- year-old, 0.5-MGD WTP with known, documented compliance-related issues.	2	1	$1,676,600	$1,676,600	$0	$0	$0
1708	Gaston	Gastonia, City of	Construct miscellaneous distribution-system facilities (new water meters, new water mains, new backflow preventers, new pressure-reducing station) to allow the Town of McAdenville's water system to connect to the Two Rivers Utilities' (City of Gastonia) water system.	4	13	$1,432,717	$1,432,717	$0	$0	$0
1688	Chatham	Goldston-Gulf Sanitary District	Construct a new 300,000 gallon elevated storage tank, booster pump station and supporting waterlines to reduce pressure problems for existing water customers.	4	21	$1,374,550	$1,374,550	$0	$1,099,640	$0
1699	Halifax	Halifax, County of	** INELIGIBLE** Construct approximately 255,000 LF (48 miles) of 6" and 12" water mains throughout the County to improve water quality by providing looped connection and blow-off/ flushing devices. Ineligible because the application did not demonstrate that the project would solve the problem.	9	0	$5,883,952	$0	$0	$0	$0
1714	Macon	Highlands, Town of	Install an additional raw-water intake structure (Intake #3) in the Big Creek "arm" of Lake Sequoyah to address ongoing and worsening turbidity levels at Intake #2 and to improve finished-water quality; Construct a 2-MGD raw-water pump station and associated raw-water main to convey raw water from the proposed Intake #3 to the Town's existing 2-MGD plant.	3	26	$1,971,915	$1,971,915	$0	$1,577,532	$0
1724	Brunswick	Holden Beach, Town of	**INELIGIBLE** Retrofit 2,700 existing service meters with radio transmitters. Application is ineligible because it lacks resolution authorizing the application and certification that the resolution is a true and correct copy.	9	0	$748,000	$0	$0	$0	$0
1679	Johnston	Johnston, County of	Add 79 Master Meter testing ports to all remaining master meters and integrate water billing software and GIS system to support master meter data and calibration program. Project will also add by-pass piping and valves. Fourteen Master Meters have testing ports already installed. Total of 93 master meters in the system.	4	17	$354,800	$354,800	$0	$0	$0

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness	
							Eligible	Allocated	Eligible	Allocated
1773	Cleveland	Kings Mountain, City of	Replace approximately 29,100 LF of leaking, tuberculated, 6-inch cast iron water lines with 8-inch DI and PVC pipes. Project does not increase capacity being entirely located in a fully built-up downtown area.	3	11	$5,243,500	$5,243,500	$0	$0	$0
1774	Cleveland	Kings Mountain, City of	**INELIGIBLE** WTP expansion from 8MGD to 12 MGD and replacement of existing 24-inch transmission main connecting WTP to city distribution grid with 36-inch pipe. Application is ineligible because project primarily serves future industrial demand.	9	0	$28,606,000	$28,606,000	$0	$0	$0
1722	Lenoir	Kinston, City of	Replace 29,000 feet of leaking galvanized and cast-iron 2-inch, 6-inch and 8-inch distribution mains, and 489 existing service meters with automated meter reading (AMR) technology to reduce water losses and frequency of repairs. Replace 12,000 feet of 3/4-inch service lines and perform full lead service line replacement as necessary.	3	26	$600,000	$600,000	$0	$480,000	$0
1683	Franklin	Louisburg, Town of	**INELIGIBLE** WTP improvements include drilling seven groundwater wells near the WTP. Well water (which has low TOC) would be mixed with Tar River water before treatment to reduce TTHM and HAA5 production. Application is ineligible because it does not document the need or that the proposal is the lowest-cost effective alternative.	9	0	$253,200	$0	$0	$0	$0
1712	Haywood	Maggie Valley Sanitary District	Replace the existing Campbell Creek raw-water intake structure with a new intake structure (including creek-bank intake box and screen); Install approximately 950 feet of 16-inch DIP raw-water mains to replace the existing asbestos-cement raw-water main.	3	11	$327,000	$327,000	$0	$0	$0
1723	Martin	Martin, County of	Replace 935 and retrofit 981 existing service meters with automated meter reading (AMR) technology; insert ten system valves; replace 935 service connections and perform full lead service line replacement as necessary; expand SCADA system; acquire two new emergency generators.	3	29	$2,260,706	$2,260,706	$0	$1,808,565	$0
1727	Brunswick	Navassa, Town of	** INELIGIBLE** Install new AMR meters. Application is ineligible because it lacks resolution authorizing the application and certification that the resolution is a true and correct copy.	9	0	$89,884	$0	$0	$0	$0
1721	Alamance	Ossipee, Town of	**INELIGIBLE** Incomplete application proposes interconnection with either the Town of Elon or City of Burlington to provide new supply, but lacks any interlocal agreement or other permission of proposed suppliers. Application superseded by WIF1768P.	9	0	$814,625	$0	$0	$0	$0
1710	Randolph	Randleman, City of	Replace existing small-diameter waterlines with 5,250 feet of 6-inch and 1,500 feet of 2-inch waterlines. Install 3,400 feet of 12-inch waterlines along Academy St. to parallel the existing waterline. Install control-system improvements.	4	19	$679,586	$679,586	$0	$543,669	$0
1729	Martin	Robersonville, Town of	Replace 525 feet of 2-inch, 13,200 feet of 6-inch and 1,000 feet of 8-inch waterlines including 43 new valves and one new fire hydrant; abandon 8,075 feet of undersized, obsolete, and leaky water mains where adequate parallel lines exist within the same right-of-way. Proposed improvements support no new connections.	3	24	$544,714	$544,714	$0	$435,771	$0
1769	Wilson	Sims, Town of	New water filtration system at Deep Well Water Supply #2 to eliminate continuing Combined Radium MCL violations.	2	14	$251,202	$251,202	$0	$0	$0
1725	Bertie	South Windsor Water Project Association, Inc.	Install 10,575 feet of 6-inch, 1,200 feet of 4-inch, and 2,000 feet of 2-inch water lines to meet minimum line size requirements and replace AC pipe; replace 20 residential service meters.	3	10	$383,990	$383,990	$0	$0	$0
1685	Cumberland	Spring Lake, Town of	Upsize approximately 7,350 feet of existing 6-inch and 8-inch waterlines to 12-inch to match the existing 12-inch connections with Harnett County and other identified areas in Spring Lake to address pressure and flow problems. Lillington Highway.	4	19	$1,314,666	$1,314,666	$0	$0	$0
1706	Davidson	Thomasville, City of	Replace the City's existing raw-water & finished-water pumps with new, more energy-efficient pumps; provide all new motors with VFDs; proposed equipment shall be housed inside the City's existing pump stations.	3	16	$943,000	$943,000	$0	$754,400	$0

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness	
							Eligible	Allocated	Eligible	Allocated
1707	Davidson	Thomasville, City of	Replace approximately 30,000 feet of aged and undersized 2-inch galvanized iron waterlines with approximately 2,585 feet of 4-inch, 26,430 feet of 6-inch and 1,300 feet of 8-inch waterlines on the southwest side of Thomasville ("Pilot" area) to improve circulation, quality and pressure with no increase in capacity.	3	16	$2,174,000	$2,174,000	$0	$1,739,200	$0
1719	Iredell	Troutman, Town of	Replace 5,140 LF of 4-inch and 100 LF of 6-inch cast-iron pipe (circa 1923) with 6-inch PVC waterline, and also replace 610 existing service meters with automated meter-reading (AMR) technology.	3	19	$812,000	$812,000	$0	$649,600	$0
1711B	Jackson	Tuckaseigee Water and Sewer Authority	Consolidate and eliminate the failing University Heights (NC0150158/pop. 99/42 conn's) & River Park MHP (NC0150103/pop.250/95 conn's) water systems: Install approx. 14,000 LF 6" DIP & 2" SDR 13.5 PVC water mains and 100,000-gallon tank.	1	24	$1,573,600	$1,573,600	$0	$0	$0
1715	Jackson	Tuckaseigee Water and Sewer Authority	**INELIGIBLE** Expand TWSA's existing WTP from 1.5 MGD to 3.0 MGD. Ineligible because it was determined primarily to support growth.	9	0	$11,158,076	$0	$0	$0	$0
1675	Washington	Washington County Water System	Replace 2,258 existing service meters with automated meter reading (AMR) technology.	3	26	$573,811	$573,811	$0	$459,049	$0
1762	Wilson	Wilson, City of	Replace approx. 16,300 LF of 6-30" ductile iron water main which have deteriorated due to age, without increasing capacity.	3	24	$3,000,000	$3,000,000	$0	$0	$0
1763	Wilson	Wilson, City of	UV Disinfection Project for Wiggins Mill and Toisnot Water Treatment Plants to comply with the LT2ESWTR (achieve 1-log of additional inactivation credit for Cryptosporidium for WTPs using this source water).	2	24	$7,476,000	$7,476,000	$0	$0	$0
Total Projects =	**46**			***Total Amounts =***		**$229,590,852**	**$212,505,209**	**$0**	**$14,231,283**	**$0**

PF* = Principal Forgiveness; reserve = $4,706,100

Report Name: rptAttachmentB-2

Attachment C
Proposed Order of Allocation for any 2013 Principal Forgiveness Funds

Sorted by Category, Rating, Population, WIF# and Applicant

Fiscal Years 2012 and 2013 DWSRF IUP

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts Eligible	Principle Forgiveness Eligible	RTP
1676	Wilson	Black Creek, Town of	Replace 770 existing service meters with automated meter reading (AMR) technology. Replace a 50-hp three-phase well pump with 50-hp variable frequency drive (VFD) well pump to reduce energy consumption.	3	28	$490,518	$490,518	$392,414	1/16/2012
1673	Stanly	Greater Badin Water & Sewer District	Install approx. 25,530 LF of 6" W/L; 20,540 LF of 8" W/L; 15,280 LF of 12" W/L; 650 AMR-type meters; and a pressure-reducing station and a master meter w/vault to replace the entire existing GBW&SD distribution system. Project also calls for GBW&SD to be disconnected fully from the ex. pressure/storage source (1.25-MG G/T on nearby ALCOA industrial site) and connect directly to the ex. Stanly Co. distribution network (current source for GBW&SD). Project will address known water quality (age/turnover) and quantity (distribution system losses) issues; replace aged and outdated infrastructure that has exceeded its lifecycle; will reduce the overall footprint of the system by reducing the total linear footage of waterline and the number of hydrants; will "right size" the system by removing entirely all undersized and oversized waterlines; and will not increase capacity.	3	27	$5,948,630	$5,948,630	$2,400,000	5/31/2012
1695	Anson	Wadesboro, Town of	Replace 2,474 existing service meters with fixed network automated meter reading (AMR) technology.	3	27	$959,000	$959,000	$767,200	6/8/2012
1747	Duplin	Duplin County Regional Water System-District E	Replace approximately 857 existing service meters with automated meter reading (AMR) technology.	3	27	$364,000	$364,000	$291,200	9/30/2012
1779	Wilkes	North Wilkesboro, Town of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part I: Construct approximately 19,550 LF of 36-inch and 17,300 LF of 20-inch raw-water transmission main to convey raw water from the proposed tie-in point (see Construction/Part II, WIF # 1780) toward the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	24	$8,257,310	$8,257,310	$2,400,000	9/30/2012
1751	Edgecombe	Edgecombe County Water and Sewer District No. 1	Replace 1,413 existing service meters with automated meter reading (AMR) technology.	3	24	$428,464	$428,464	$342,771	9/30/2012
1780	Wilkes	Wilkes, County of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part II: Construct proposed 24-MGD raw-water intake structure; 24-MGD raw-water pump station; an electrical-controls building (to be located on Reservoir Road); and approximately 3,000 LF of 36-inch raw-water transmission main (from pump station to intersection of Reservoir Road/Hwy 268) to tie-in and feed the proposed raw-water transmission main (Construction/Part I, WIF#1779). The project will provide an additional raw-water source for the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	23	$5,598,475	$5,598,475	$2,400,000	9/30/2012
1738	Duplin	Duplin County Regional Water System-District F	Replace 462 existing service meters with automated meter reading (AMR) technology.	3	22	$188,000	$188,000	$150,400	9/30/2012
1739	Duplin	Duplin County Regional Water System-District D	Replace approximately 1,189 existing service meters with automated meter reading (AMR) technology.	3	22	$480,000	$480,000	$384,000	9/30/2012
1746	Duplin	Duplin County Regional Water System-District G	Replace approximately 1,211 existing service meters with automated meter reading (AMR) technology.	3	22	$462,000	$462,000	$369,600	9/30/2012
1749	Duplin	Duplin County Regional Water System-District A (Albertson W&S District)	Replace approximately 27 two-inch industrial service meters with automated meter reading (AMR) technology.	3	22	$44,000	$44,000	$35,200	9/30/2012
1750	Duplin	Duplin County Regional Water System-District B	Replace approximately 522 existing service meters with automated meter reading (AMR) technology.	3	22	$212,000	$212,000	$169,600	9/30/2012
1748	Lenoir	North Lenoir Water Corporation	Replace approximately 5,784 existing service meters with automated meter reading (AMR) technology.	3	21	$2,200,000	$2,200,000	$1,760,000	5/31/2012
1765	Vance	Kittrell Water Association, Inc.	Replace all (approximately 365) aged meters with fixed-base automated meter reading (AMR) technology.	3	20	$349,971	$349,971	$279,977	9/30/2012
1682	Franklin	Louisburg, Town of	Replace 89 existing service meters for large customers with automated meter reading (AMR) technology.	3	19	$213,560	$213,560	$170,848	9/30/2012
1672	Orange	Orange-Alamance Water System, Inc.	Replace 3,300 existing service meters with automated meter reading (AMR) technology.	3	19	$689,000	$689,000	$551,200	9/30/2012

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts Eligible	Principle Forgiveness Eligible	RTP
1764	Anson	Peachland, Town of	Replace 234 existing service meters with automated meter reading (AMR) technology.	3	16	$142,290	$142,290	$113,832	9/30/2012
1775	Sampson	Garland, Town of	Replace all (approximately 365) residential meters, two bulk meters & two production well meters with automated meter reading (AMR) technology.	3	16	$240,550	$240,550	$192,440	9/30/2012
Total Projects =	**18**		Report Name: rptAttachment C	***Total Amounts =***		**$27,267,768**	**$27,267,768**	**$13,170,682**	

Attachment D
Applications from Small Systems
Showing proposed 2012 Allocation
Fiscal Years 2012 _2013 DWSRF IUP

Sorted by Category, Rating, Population, WIF# and Applicant

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1711B	Jackson	Tuckaseigee Water and Sewer Authority	Consolidate and eliminate the failing University Heights (NC0150158/pop. 99/42 conn's) & River Park MHP (NC0150103/pop.250/95 conn's) water systems: Install approx. 14,000 LF 6" DIP & 2" SDR 13.5 PVC water mains and 100,000-gallon tank.	1	24	$1,573,600	$1,573,600	$0	$0	$0	
1769	Wilson	Sims, Town of	New water filtration system at Deep Well Water Supply #2 to eliminate continuing Combined Radium MCL violations.	2	14	$251,202	$251,202	$0	$0	$0	
1772	Graham	Fontana Dam, Town of	Construct a proposed 0.5-MGD WTP to replace the existing, approximately 70- year-old, 0.5-MGD WTP with known, documented compliance-related issues.	2	1	$1,676,600	$1,676,600	$0	$0	$0	
1720	Alexander	Taylorsville, Town of	Efficiency/redundancy/reliability improvements for existing and proposed facilities co-managed with Energy United Water Corporation. Replace one booster pump station and rehabilitate another plus backup power; install two tank mixers; replace 2,750 existing service meters with automated meter reading (AMR) technology; construct 12,900 LF of 8-inch waterlines parallel to existing waterlines to reduce head loss, two PRV vaults.	3	40	$1,475,000	$1,475,000	$1,475,000	$1,180,000	$1,180,000	5/30/2012
1768P	Alamance	Ossipee, Town of	Planning loan to design/scope a proposed interconnection with the City of Burlington. Proposed project would result in the Town decommissioning their three supply wells and becoming a purchased water system. T15A NCAC 01N .0701(c) limits a planning loan to $25,000 ($20,000 in principal forgiveness).	3	31	$261,010	$261,010	$25,000	$20,000	$20,000	9/30/2012
1731	Lenoir	Pink Hill, Town of	Replace 489 existing service meters with automated meter reading (AMR) technology.	3	29	$219,255	$219,255	$219,255	$175,404	$175,404	9/30/2012
1733	Bertie	Aulander, Town of	Replace 620 existing service meters with automated meter reading (AMR) technology.	3	29	$222,345	$222,345	$222,345	$177,876	$177,876	9/30/2012
1643	Davidson	Denton, Town of	Waterline replacement & WTP rehab: Install approx. 2,500 LF 8-inch & 9,500 LF 6-inch W/L; Optimize existing WTP to allow its operation at existing rated capacity of 2.25 MGD (presently operates at 1.75 MGD).	3	29	$3,604,691	$3,604,691	$3,000,000	$2,400,000	$2,400,000	9/28/2012
1723	Martin	Martin, County of	Replace 935 and retrofit 981 existing service meters with automated meter reading (AMR) technology; insert ten system valves; replace 935 service connections and perform full lead service line replacement as necessary; expand SCADA system; acquire two new emergency generators.	3	29	$2,260,706	$2,260,706	$0	$1,808,565	$0	
1676	Wilson	Black Creek, Town of	Replace 770 existing service meters with automated meter reading (AMR) technology. Replace a 50-hp three-phase well pump with 50-hp variable frequency drive (VFD) well pump to reduce energy consumption.	3	28	$490,518	$490,518	$490,518	$392,414	$0	1/16/2012
1684	Bladen	Clarkton, Town of	Replace 374 existing service meters with automated meter reading (AMR) technology.	3	27	$83,900	$83,900	$0	$0	$0	

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1673	Stanly	Greater Badin Water & Sewer District	Install approx. 25,530 LF of 6" W/L; 20,540 LF of 8" W/L; 15,280 LF of 12" W/L; 650 AMR-type meters; and a pressure-reducing station and a master meter w/vault to replace the entire existing GBW&SD distribution system. Project also calls for GBW&SD to be disconnected fully from the ex. pressure/storage source (1.25-MG G/T on nearby ALCOA industrial site) and connect directly to the ex. Stanly Co. distribution network (current source for GBW&SD). Project will address known water quality (age/turnover) and quantity (distribution system losses) issues; replace aged and outdated infrastructure that has exceeded its lifecycle; will reduce the overall footprint of the system by reducing the total linear footage of waterline and the number of hydrants; will "right size" the system by removing entirely all undersized and oversized waterlines; and will not increase capacity.	3	27	$5,948,630	$5,948,630	$3,000,000	$2,400,000	$0	5/31/2012
1695	Anson	Wadesboro, Town of	Replace 2,474 existing service meters with fixed network automated meter reading (AMR) technology.	3	27	$959,000	$959,000	$959,000	$767,200	$0	6/8/2012
1714	Macon	Highlands, Town of	Install an additional raw-water intake structure (Intake #3) in the Big Creek "arm" of Lake Sequoyah to address ongoing and worsening turbidity levels at Intake #2 and to improve finished-water quality; Construct a 2-MGD raw-water pump station and associated raw-water main to convey raw water from the proposed Intake #3 to the Town's existing 2-MGD plant.	3	26	$1,971,915	$1,971,915	$0	$1,577,532	$0	
1675	Washington	Washington County Water System	Replace 2,258 existing service meters with automated meter reading (AMR) technology.	3	26	$573,811	$573,811	$0	$459,049	$0	
1729	Martin	Robersonville, Town of	Replace 525 feet of 2-inch, 13,200 feet of 6-inch and 1,000 feet of 8-inch waterlines including 43 new valves and one new fire hydrant; abandon 8,075 feet of undersized, obsolete, and leaky water mains where adequate parallel lines exist within the same right-of-way. Proposed improvements support no new connections.	3	24	$544,714	$544,714	$0	$435,771	$0	
1779	Wilkes	North Wilkesboro, Town of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part I: Construct approximately 19,550 LF of 36-inch and 17,300 LF of 20-inch raw-water transmission main to convey raw water from the proposed tie-in point (see Construction/Part II, WIF # 1780) toward the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	24	$8,257,310	$8,257,310	$3,000,000	$2,400,000	$0	9/30/2012
1780	Wilkes	Wilkes, County of	Kerr-Scott Reservoir Raw-Water Project -- Construction/Part II: Construct proposed 24-MGD raw-water intake structure; 24-MGD raw-water pump station; an electrical-controls building (to be located on Reservoir Road); and approximately 3,000 LF of 36-inch raw-water transmission main (from pump station to intersection of Reservoir Road/Hwy 268) to tie-in and feed the proposed raw-water transmission main (Construction/Part I, WIF#1779). The project will provide an additional raw-water source for the Towns of Wilkesboro & North Wilkesboro. No increase in WTP capacity for either town is proposed.	3	23	$5,598,475	$5,598,475	$3,000,000	$2,400,000	$0	9/30/2012
1711	Jackson	Tuckaseigee Water and Sewer Authority	Construct proposed 1.5-MG clearwell and associated high-service pump station on site of TWSA's existing WTP facility. Proposed c/w will replace TWSA's improvised "clearwell" (the ex. 0.5-MG "WCU" tank, which will be converted to a dedicated, finished-water storage tank only).	3	22	$1,561,300	$1,561,300	$1,561,300	$0	$0	6/1/2012
1670	Mitchell	Bakersville, Town of	Install an iron-removal system at the Town's "Linda Lane" well, and rehabilitate the well-head assembly at the Town's "Reservoir" well.	3	21	$653,000	$653,000	$0	$0	$0	
1732	Beaufort	Belhaven, Town of	Water and Edward Streets Waterline Replacement - Replace 4,000 feet of deteriorating 4-inch cast iron pipe with 6-inch PVC pipe; replace 70 service connections and perform full lead service line replacement as necessary.	3	21	$233,425	$233,425	$0	$186,740	$0	
1765	Vance	Kittrell Water Association, Inc.	Replace all (approximately 365) aged meters with fixed-base automated meter reading (AMR) technology.	3	20	$349,971	$349,971	$0	$279,977	$0	9/30/2012

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1698	Bladen	Bladenboro, Town of	Replace 1,214 existing service meters with automated meter reading (AMR) technology and install fixed read transceiver at the elevated storage tank.	3	19	$746,946	$746,946	$0	$0	$0	9/30/2012
1719	Iredell	Troutman, Town of	Replace 5,140 LF of 4-inch and 100 LF of 6-inch cast-iron pipe (circa 1923) with 6-inch PVC waterline, and also replace 610 existing service meters with automated meter-reading (AMR) technology.	3	19	$812,000	$812,000	$0	$649,600	$0	12/6/2012
1682	Franklin	Louisburg, Town of	Replace 89 existing service meters for large customers with automated meter reading (AMR) technology.	3	19	$213,560	$213,560	$0	$170,848	$0	9/30/2012
1672	Orange	Orange-Alamance Water System, Inc.	Replace 3,300 existing service meters with automated meter reading (AMR) technology.	3	19	$689,000	$689,000	$0	$551,200	$0	9/30/2012
1686	Cumberland	Spring Lake, Town of	Replace 5,451 existing service meters with fixed-base automated meter reading (AMR) technology.	3	19	$2,293,709	$2,293,709	$0	$0	$0	9/30/2012
1756	Johnston	Benson, Town of	Replace approximately 11,000 LF of 6", 500 LF of 10", and 400 LF of 8" waterlines which are old and deteriorated, and add two pressure reducing valves and master meter that will alow bi-directional flow to and from Johnston and Harnett Counties.	3	18	$199,050	$1,351,050	$0	$0	$0	
1728	Beaufort	Bath, Town of	Replace leaking 10kgal hydropneumatic tank, 6,750 gallon raw water detention tank and aerator, two service transfer pumps, accessories and controls with equipment of equal capacity and function.	3	16	$251,838	$251,838	$0	$201,470	$0	
1764	Anson	Peachland, Town of	Replace 234 existing service meters with automated meter reading (AMR) technology.	3	16	$142,290	$142,290	$0	$113,832	$0	9/30/2012
1775	Sampson	Garland, Town of	Replace all (approximately 365) residential meters, two bulk meters & two production well meters with automated meter reading (AMR) technology.	3	16	$240,550	$240,550	$0	$192,440	$0	9/30/2012
1737	Greene	South Greene Water Corporation	Replace approximately 1,036 existing service meters with automated meter reading (AMR) technology.	3	16	$580,000	$580,000	$0	$0	$0	9/30/2012
1767	Wilkes	Broadway Water Association, Inc.	Replace 1,231 existing meters with automated meter reading (AMR) technology.	3	16	$226,960	$226,960	$0	$0	$0	9/30/2012
1730	Chowan	Edenton, Town of	Drill four new exploratory wells and perform laboratory and field testing to identify a suitable location for two supply wells needed to meet existing maximum daily demand.	3	11	$205,450	$205,450	$0	$0	$0	
1712	Haywood	Maggie Valley Sanitary District	Replace the existing Campbell Creek raw-water intake structure with a new intake structure (including creek-bank intake box and screen); Install approximately 950 feet of 16-inch DIP raw-water mains to replace the existing asbestos-cement raw-water main.	3	11	$327,000	$327,000	$0	$0	$0	
1725	Bertie	South Windsor Water Project Association, Inc.	Install 10,575 feet of 6-inch, 1,200 feet of 4-inch, and 2,000 feet of 2-inch water lines to meet minimum line size requirements and replace AC pipe; replace 20 residential service meters.	3	10	$383,990	$383,990	$0	$0	$0	
1778	Transylvania	Brevard, City of	Construct two ground storage tanks each 0.75 MG to replace existing 1 MG ground storage tank with a failing roof	4	25	$2,401,000	$2,401,000	$0	$1,920,800	$0	
1688	Chatham	Goldston-Gulf Sanitary District	Construct a new 300,000 gallon elevated storage tank, booster pump station and supporting waterlines to reduce pressure problems for existing water customers.	4	21	$1,374,550	$1,374,550	$0	$1,099,640	$0	
1726	Columbus	Columbus County W & S District IV	Hallsboro Area Water System Improvements to provide water service to 115 existing homes that experience problems with shallow private wells of poor water quality and capacity. Construct one 100,000-gallon elevated storage tank; retrofit three supply wells with higher capacity pumps, chemical feed systems, and SCADA; install approximately 28,000 feet of 2-inch through 12-inch distribution waterlines.	4	21	$1,924,795	$1,924,795	$0	$1,539,836	$0	

WIF #	County	Applicant	Project Description	Cat.	Rating	Requested Amount	Project Amounts		Principal Forgiveness		RTP
							Eligible	Allocated	Eligible	Allocated	
1770	Columbus	Columbus County Water and Sewer District II	Install approximately 43,000 LF of 2-inch and six-inch waterlines to serve 105 existing lots currently served by private wells.	4	21	$1,043,764	$1,043,764	$0	$835,011	$0	
1710	Randolph	Randleman, City of	Replace existing small-diameter waterlines with 5,250 feet of 6-inch and 1,500 feet of 2-inch waterlines. Install 3,400 feet of 12-inch waterlines along Academy St. to parallel the existing waterline. Install control-system improvements.	4	19	$679,586	$679,586	$0	$543,669	$0	
1685	Cumberland	Spring Lake, Town of	Upsize approximately 7,350 feet of existing 6-inch and 8-inch waterlines to 12-inch to match the existing 12-inch connections with Harnett County and other identified areas in Spring Lake to address pressure and flow problems. Lillington Highway.	4	19	$1,314,666	$1,314,666	$0	$0	$0	12/10/2012
1721	Alamance	Ossipee, Town of	**INELIGIBLE** Incomplete application proposes interconnection with either the Town of Elon or City of Burlington to provide new supply, but lacks any interlocal agreement or other permission of proposed suppliers. Application superseded by WIF1768P.	9	0	$814,625	$0	$0	$0	$0	
1727	Brunswick	Navassa, Town of	** INELIGIBLE** Install new AMR meters. Application is ineligible because it lacks resolution authorizing the application and certification that the resolution is a true and correct copy.	9	0	$89,884	$0	$0	$0	$0	
1683	Franklin	Louisburg, Town of	**INELIGIBLE** WTP improvements include drilling seven groundwater wells near the WTP. Well water (which has low TOC) would be mixed with Tar River water before treatment to reduce TTHM and HAA5 production. Application is ineligible because it does not document the need or that the proposal is the lowest-cost effective alternative.	9	0	$253,200	$0	$0	$0	$0	
1724	Brunswick	Holden Beach, Town of	**INELIGIBLE** Retrofit 2,700 existing service meters with radio transmitters. Application is ineligible because it lacks resolution authorizing the application and certification that the resolution is a true and correct copy.	9	0	$748,000	$0	$0	$0	$0	
1715	Jackson	Tuckaseigee Water and Sewer Authority	**INELIGIBLE** Expand TWSA's existing WTP from 1.5 MGD to 3.0 MGD. Ineligible because it was determined primarily to support growth.	9	0	$11,158,076	$0	$0	$0	$0	
Total SMALL Projects =	**47**		Report Name: rptAttachment D	***Total Amounts =***		**$67,884,867**	**$55,973,082**	**$16,952,418**	**$24,878,874**	**$3,953,280**	

PF* = Principal Forgiveness; reserve = $4,706,100

72.0% Percent of Cap Grant

84.0% Percent of Principal Forgiveness Reserve

Attachment E

Notice of Public Meeting

Fiscal Years 2012 & 2013 DWSRF Intended Use Plan

The "State of North Carolina Drinking Water State Revolving Fund Intended Use Plan - Funding from Federal Fiscal Years 2012 and 2013" (IUP) is available for public review and comment. This IUP describing use of funds is part of the state's $47,074,000 application to EPA for the 2012 and 2013 DWSRF Capitalization Grants. Funds will be used for low-interest loans to improve public water systems' public health and compliance, administration, technical assistance, state program management, capacity development and source water protection. Project applications were due by September 30, 2012. This IUP also discusses changes planned in 2013. Interested parties may obtain a copy of the IUP by contacting Jeanne Fletcher at (919) 707-9049 or visiting: http://www.ncwater.org/pws/srf/Pages/federal_reports.htm.

A public meeting is scheduled for 2:30 p.m. Wednesday, January 30, 2013 in the Ground Floor Hearing Room of the Archdale Building, 512 North Salisbury Street, Raleigh, NC 27603. Free public parking is available between 11 am and 4 pm at the Powerhouse Square Parking Deck, 513 West Jones Street, Raleigh, NC 27604. Commenters should sign in beginning at 2:00 p.m. and should limit comments to three minutes. Written comments may be provided on site, mailed to Vincent Tomaino at 1634 MSC, Raleigh, NC, 27699-1634, or e-mailed to vincent.tomaino@ncdenr.gov until January 30, 2013.