

**Application for DENR Funding Assistance**  
**for**  
**Wastewater and Drinking Water Projects**

**AS ADMINISTERED BY THE DEPARTMENT OF ENVIRONMENT AND NATURAL  
RESOURCES  
OF THE  
STATE OF NORTH CAROLINA**

NOTE: The application filing deadlines are March 31 and September 30 of each year

**Please Read**

Please coordinate wastewater applications with the Construction Grants & Loans Section of the Division of Water Quality (CG&L). <http://www.nccgl.net/>

Please coordinate drinking water applications with the Public Water Supply Section of the Division of Environmental Health. <http://www.deh.enr.state.nc.us/pws/srf/index.htm>

Please see the websites for important information including contact information, prioritization rules, and checklists of documentation that might provide priority.

**Projects are funded in priority order, based on available funding,**

# Application for DENR Funding Assistance for Wastewater and Drinking Water Projects

|   |  |
|---|--|
| To be submitted in <u>TRIPPLICATE</u>                 | DATE RECEIVED:<br>(To be filled in by the State) |
| <u>See INSTRUCTIONS before completing application</u> | ACCOUNT  |

## SECTION I – REQUEST FOR FUNDING

### 1. Contact Information

| <b>Applicant</b>   | <b>Engineer</b>                       |
|--|---------------------------------------|
| _____<br>(Name of Board, Council or Owner – the <b>Applicant</b> ) | _____<br>(Name of Engineering Firm)   |
| _____<br>(Name and Title of <b>Authorized Official</b> )           | _____<br>(Name of Engineer of Record) |
| _____<br>(Street or Box Number)                                    | _____<br>(Street or Box Number)       |
| _____<br>(City, State & ZIP)                                       | _____<br>(City, State & ZIP)          |
| _____<br>(County)  |                                       |
| _____<br>(Phone Number)  | _____<br>(Phone Number)               |
| _____<br>(FAX Number )   | _____<br>(FAX Number)                 |
| _____<br>(E-mail address)  | _____<br>(E-mail address)             |
| _____<br>(Federal ID Number)                                       |                                       |

### 2. Project Information:

(a) Name of Project \_\_\_\_\_

(b) Description of Project

(c) Type of Project – check all that apply

- |  |  |
|--|--|
| <input type="checkbox"/> Wastewater Treatment<br><input type="checkbox"/> Water Reclamation or Land Application Facilities<br><input type="checkbox"/> Wastewater Collection | <input type="checkbox"/> Drinking Water Source<br><input type="checkbox"/> Drinking Water Treatment<br><input type="checkbox"/> Drinking Water Transmission or Distribution<br><input type="checkbox"/> Drinking Water Storage |
|--|--|

### 3. Funding type and amount requested by this application - show details in Section II.

Total Loan Requested \_\_\_\_\_

Total Grant requested \_\_\_\_\_

### 4. Certification

The attached statements and exhibits are hereby made part of this application, and the above-named **Authorized Official** certifies that the information in the application and the attached statements and exhibits is true, correct, and complete to the best of his knowledge and belief. He further certifies that: He has been authorized to file this application by formal action of the governing body of the **Applicant** as is evidenced by the ATTACHED CERTIFIED COPY OF AUTHORIZATION MADE BY THE APPLICANT'S GOVERNING BODY; the governing body of the **Applicant** agrees that if a loan or grant for the Project is made pursuant to N.C.G.S 159G, the Water Infrastructure Act of 2005, and the Federally Funded State Revolving Fund Programs (SRF), the **Applicant** will provide proper and efficient operation and maintenance of the approved Project after completion of construction thereof; and the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the Project. **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges that will provide adequate funds for proper operation, maintenance, administration of the system, and repayment of all principal and interest on loans.

\_\_\_\_\_  
(Signature of **Authorized Official**)

\_\_\_\_\_  
(Date Signed)

**SECTION II - FINANCIAL INFORMATION AS OF DATE OF APPLICATION**

1. Financing construction of project:

| <b>Source</b>   | <b>Amount</b> |                               |
|---|---------------|-------------------------------|
| (a) Funds to be made available by the Applicant:                        |               |                               |
| Cash.....   | _____         |                               |
| General Obligation Bonds.....   | _____         |                               |
| Revenue Bonds.....  | _____         |                               |
| (b) Other {specify in 2) below} .....                                   |               |                               |
| Sub-total (Applicant and Other)   | _____         |                               |
| (c) Federal funding (including SRF) requested by this application ..... |               |                               |
| DWSRF Planning Loan.....  | _____         | × 2% = _____                  |
| SRF Loan.....   | _____         | × 2% = _____                  |
| Other Loan.....   | _____         | _____                         |
| Grant.....  | _____         | _____                         |
| Federal Sub-Total   | _____         |                               |
| (d) State funding requested by this application .....                   |               |                               |
| State Emergency Loan.....   | _____         | × 2.5% _____                  |
| State Revolving Loan.....   | _____         | × 2.5% _____                  |
| High Unit Cost Grant.....   | _____         | × 1.5% _____                  |
| Technical Assistance Grant.....   | _____         | × 1.5% _____                  |
| State Sub-Total   | _____         |                               |
| Total Funding Available   | _____         | <b><u>Total Fee</u></b> _____ |

2. Name sources and amounts of other funding, and indicate status of each request

| <b>Description</b> | <b>Amount</b> | <b>Status<br/>"Applied for"<br/>or "offered"</b> |
|--------------------|---------------|--|
| _____              | _____         | _____  |
| _____              | _____         | _____  |
| _____              | _____         | _____  |
| _____              | _____         | _____  |
| _____              | _____         | _____  |

3. Outstanding indebtedness not including loan for this project: \_\_\_\_\_

4. Most current total appraised property valuation: \_\_\_\_\_

**SECTION III - ENGINEERING INFORMATION**

1. Project cost estimate summary:  
Under Item a), list major items of work for which separate contracts are proposed and estimate their cost.

| <b>Item</b>  | <b>Item Cost</b> |
|--|------------------|
| (a) Construction (can specify for each contract)   | _____            |
| (1) _____  | _____            |
| (2) _____  | _____            |
| (3) _____  | _____            |
| (4) _____  | _____            |
| (5) _____  | _____            |
| (6) _____  | _____            |
| Construction Sub-total   | _____            |
| (b) Technical Services .....   | _____            |
| (c) Administrative .....   | _____            |
| (d) Contingency  | _____            |
| (10% of projected construction cost, 5% after bid) .....   | _____            |
| (e) Other (specify _____).....   | _____            |
| (f) Site and Other Real Property Interests .....   | _____            |
| Sub total (a) through (f)  | _____            |
| (g) Departmental Fee (closing cost)  | _____            |
| {must match fees reported in Section II.1. (c) & (d), 2% for SRF, 2.5% for state loan, 1.5% for HUC grant, } | _____            |
| Total  | _____            |

2. (Wastewater Only) Submittal of Final Plans and Specifications to CG&L will place your wastewater project in a higher category for Funding.

- (a) Please give the date of submission of final plans and specifications to CG&L:  
\_\_\_\_\_
- (b) If approved by CG&L, give date and permit number:  
\_\_\_\_\_

3. Under Orders - Please indicate if project is under a mandated time schedule by the SOC, JOC, AOC, or if the project is under moratorium. (If yes, attach copy.)  yes  no

4. Regional Project – Please indicate whether this is a regional project and list the local units involved. (Please provide a copy of the executed intergovernmental agreement or other documentation of agreement.)  yes  No

Local units involved: \_\_\_\_\_  
\_\_\_\_\_

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**SECTION IV – CHECKLIST FOR SUPPORTING DOCUMENTS**

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**The following items represent the minimum submission required to establish eligibility under the various finding programs.**

- \_\_\_ 1. Application
  
- \_\_\_ 2.(a) Resolution(s) of governing body providing required assurances and agreements and designating an authorized representative
- AND**
- \_\_\_ 2.(b) Certification of same by recording officer
  
- \_\_\_ 3.(a) (Drinking Water Only) – Preliminary Engineering Report (PER) and Environmental Document (see instructions for requirements)
- OR**
- \_\_\_ 3.(b) (Wastewater Only) – Engineering Report (ER) and Environmental Document (see instructions for requirements)
  
- \_\_\_ 4. Financial information
  - \_\_\_ (a) (Wastewater Only) – Form LGC 108A
  - \_\_\_ (b) (Wastewater Only) – Form LGC 108C
  
- \_\_\_ 5. Information for High Unit Cost Grants only
  - \_\_\_ (a) Water & Sewer Utilities Revenue Form
  - \_\_\_ (b) Official water and sewer user fee structure (copy of official or certified rate sheet)

**Please Read**

Please coordinate wastewater applications with the Construction Grants & Loans Section of the Division of Water Quality (CG&L). <http://www.nccgl.net/>

Please coordinate drinking water applications with the Public Water Supply Section of the Division of Environmental Health. <http://www.deh.enr.state.nc.us/pws/srf/index.htm>

Please see the websites for important information including contact information, prioritization rules, and checklists of documentation that might provide priority.

**Projects are funded in priority order, based on available funding,**

**INSTRUCTIONS**  
**for**  
**Completing and Filing an Application**  
**for a State Loan or Grant Under the**  
**N.C. Water Infrastructure Act of 2005**  
**and the**  
**Federally Funded State Revolving Fund Programs (SRF)**

**NOTE:** Carefully read the applicable Rules Governing the State Revolving Loan and Grant Program and the SRF Programs prior to completing the application.

The purpose of the application is to request State loan or grant funds for water supply planning loans or technical assistance grants and to assist in financing the construction of wastewater treatment works, wastewater collection systems, or water supply systems projects and to provide sufficient information to determine the eligibility and priority of the application submitted by an eligible applicant. Any application that does not contain sufficient information to permit the Division of Water Quality or the Division of Environmental Health, as applicable, to determine either the eligibility of the applicant or to assign priority, shall not be included in the priority rating until such information is furnished by the applicant to the appropriate agency.

In completing the application, if an item is not applicable, then place N/A in the corresponding space. **DO NOT LEAVE ITEMS BLANK.** A pre-application conference with representatives of the applicant and the appropriate State agency may be helpful and may be scheduled by calling the numbers below.

The applicant should be the party (unit of government or non-profit corporation) that will own, operate, maintain, and administer the project. If another entity proposes to participate in the construction costs, this can be managed by an intergovernmental agreement and indicated in Financial Information, Section II, and Engineering Information, Section III.

Submit the application and all supporting documents as follows:

- a) Projects for wastewater treatment works and wastewater collection systems to the Construction Grants and Loans Section, Division of Water Quality, Department of Environment and Natural Resources at one of the following addresses.

| <b>Mail Address</b>   | <b>Physical Address (e.g., Parcels, FedEx, UPS)</b>  |
|---|--|
| CG&L / DWQ / DENR<br>1633 Mail Service Center, Raleigh, North Carolina 27699-1633 | CG&L / DWQ / DENR<br>2728 Capital Boulevard, Suite 1F<br>Raleigh, NC 27604<br>(919) 733-6900 |

- b) Projects for water supply systems to Public Water Supply Section, Division of Environmental Health, Department of Environment and Natural Resources, at one of the following addresses.

| <b>Mail Address</b>   | <b>Physical Address (e.g., Parcels, FedEx, UPS)</b>   |
|---|---|
| PWS / DEH / DENR<br>1634 Mail Service Center,<br>Raleigh, North Carolina 27699-1634 | PWS / DEH / DENR<br>2728 Capital Boulevard, Room 1B501<br>Raleigh, NC 27604<br>(919) 733-2321 |

## DETAILED INSTRUCTIONS FOR COMPLETING APPLICATION

### SECTION I - REQUEST FOR STATE LOAN OR GRANT

1. **Contact Information**

*The Applicant* - Must be a unit of government or other eligible applicant as defined in the Act. [G.S. 159G-31]

*Name and Title of Authorized Official* - Provide name and title of the authorized representative of the applicant designated by the resolution of the governing body of the **Applicant**.

*Address* - The applicant should specify the address to which correspondence is to be mailed.

*County* – List the county in which the applicant is located, if different from the county in which the project will be built.

*Phone Number* - The applicant should insert here the office telephone number of its authorized representative.

*FAX Number* - The applicant should insert here the FAX number of its authorized representative.

*E-mail Address* - The applicant should insert here the E-mail address of its authorized representative.

*Federal ID Number* - Enter the number for taxation and accounting purposes.

*Signature of Authorized Official* – The representative authorized by the resolution of the governing body must sign and date the application.

*Date* - Insert the date on which the Authorized Official signs the Application. **Note: Application deadlines are March 31 and September 30 of each year.**

*Engineer* – Similarly identify the Engineer of Record (generally, the engineer who seals the ER or PER, and who is expected to design the project and seal the plans and specifications). Identify both the individual and firm and provide full contact information.

2. **Project Information** – Provide basic information about the project:

(a) **Name of Project** – provide the name or title of the project as it is locally known. Provide this on design documents.

(b) **Description of Project** - Briefly describe the nature of the project. *Example: 20,000 feet of 12-inch waterlines to connect the Town of Smallville to the City of Metropolis.*

(c) **Type of Project** – Each application must be marked to indicate the type of project. Check all applicable types.

3. **Funding type and amount requested by this application** - Specify total loan, and/or grant requested for the project described in the application. All dollar amounts requested in this application should be to the nearest dollar. Please provide details in Section II. **Note: Grant funding eligibility depends on utility rates exceeding the high-unit cost threshold.**

4. **Certification** - Please read carefully before affixing signature in Item 1.

### SECTION II - FINANCIAL INFORMATION AS OF DATE OF APPLICATION

Note: **Keep information Current** - If financing requirements are changed by receipt of acceptable bids (or commitment of other project financing) after filing the application but before a loan or grant offer), promptly submit revised financial information.

1. **Financing Construction of the Project** – list sources of funding for the project

(a) **Funds to be made available by the applicant**

Cash - Enter the amount of cash available or to be made available for this project.

General obligation bonds and revenue bonds - Enter the amount of funds to be raised from each of these sources. Indicate the date of the bond referendum is to be held.

- (b) Other - Enter the amount of other funds available for the project (e.g., an industry sharing in cost). You will specify the source(s) in Item 2).
- (c) Federal funding requested in this application(Including SRF) - Specify the amount(s) of Federal funds, requested by this application.
- (d) State funding requested in this application - Specify the amount of State funds requested by this application.

2. **Name sources and amounts of other funding, and indicate status of each request** - Specify source, type and amount of other grant and loans requested (not requested by this application), and give status of each request ('applied for' or 'offered').

3. **Indebtedness** - Total Indebtedness, bonded or unbonded. (Do not include proposed project cost.)

4. **Property Valuation** – For units of local government, this is not the property owned by the applicant, but a measure of its potential taxbase. Enter total appraised real property valuation in the applicant's jurisdiction based on most recent appraisal for tax purposes as officially recorded in the county or counties in which the applicant's proposed project is to be located.

For applicants that are not units of local government, enter total appraised real property valuation that the applicant owns.

### **SECTION III - ENGINEERING INFORMATION**

Note: **Keep information Current** - If financing requirements are changed by receipt of acceptable bids (or commitment of other project financing) after filing the application but before a loan or grant offer), promptly submit revised engineering information.

1. **Project Cost Estimate Summary**

The column headed 'Item Cost' is to include all costs of the project.

- (a) Construction - Include estimated costs for each contract or substantially independent part of the project, and estimated costs of materials and equipment to be purchased directly for contract installation. If multiple contracts are proposed, provide a breakdown of estimated construction cost by contract. Indicate major work items to be included in each contract (e.g., 'Contract 1 – waterlines, ... Contract 2 – tank'). If an item's cost is based on bids received, so indicate.
- (b), (c) Technical, Legal, Fiscal, and Administrative Services - Attach copies of any contracts for these services. If contracts have not been executed, provide information as to the basis upon which the fees or costs were estimated. When contracts are executed subsequent to filing the application, furnish copies as soon as possible. The technical services contract will receive procurement review. Therefore all cost contracted may not be eligible.
- (d) Contingency - The project contingency provides funds to cover unforeseen costs or situations during construction of the project. The contingency amount for State participation shall not exceed ten percent (10%) to the nearest one hundred dollars of the estimated eligible construction cost prior to receipt of bids, after which it shall be adjusted to not more than five percent (5%) of the actual construction cost as bid.
- (e) Other - Briefly identify other costs. For water supply project planning loan applications only, enter both total and eligible estimated planning costs here.

- (f) Site and other real property interests - Include only the costs of real property and interests therein which must be acquired by the applicant in order to accomplish construction of the project.
- (g) Departmental Fee (closing cost) – Calculate the appropriate fee as the following percentage of the funding (including any fee rolled into the funding):

| <b>Program</b>                  | <b>Fee</b>                               |
|---------------------------------|--|
| State Revolving Fund (SRF) loan | 2.0% of total SRF loan                   |
| State Emergency Loan (SEL)      | 2.5% of total SEL                        |
| State Revolving Loan (SRL)      | 2.5% of total SRL                        |
| High Unit Cost (HUC) Grant      | 1.5% of total HUC grant                  |
| Technical Assistance Grant      | 1.5% of total Technical Assistance Grant |

2. **(Wastewater only) Submittal of final Plans and Specifications....**

For wastewater projects only, state if final plans are complete. If work on final plans is in progress, estimate date on which plans will be submitted to the appropriate State agency. If final plans have not been started, explain status of engineering planning and estimated submission date.

- (a) Date of submission - If plans and specifications have already been submitted, list actual date of submission. Otherwise, estimate submission date to nearest month. Take into consideration the present status of planning the project, obtaining necessary approvals, arranging financing, time required to obtain Federal and State aid, and other requirements.
- (b) Approval number – If the receiving agency has approved plans and specifications, list the approval number (tracking number) and date of approval. Otherwise list ‘N/A.’

3. **Under Orders** - Indicate whether applicant is under a Special Order by Consent (SOC), Judicial Order by Consent (JOC), Administrative Order of Consent (AOC) or moratorium. Please advise as to the time schedule and submit a copy of the signed order.

4. **Regional Project** - Please state whether this is a regional or consolidation project and if so list the local government units or systems that are involved in the proposed project. Please furnish a copy of documentation of agreement that the regional entities support the project.

Such *documentation of agreement* between units of government needs to accompany the application when any of the following conditions exist:

- (a) The applicant's project is dependent on another unit of government for a source of water supply or to provide adequate treatment of wastewater collected.
- (b) The financial feasibility of the applicant's project is dependent on the sale of water or wastewater services to other units of government.
- (c) The applicant proposes to construct the project, and another unit of government will operate, maintain, and administer the project, either with or without transfer of ownership.

Such *documentation of agreement* may be any one of the following:

- (a) Resolutions by each governing body describing what is agreed to, and assuring that formal agreement will be executed.
- (b) An agreement in principle signed by the chief executive of each unit of government.
- (c) An executed formal agreement.

## SECTION IV – CHECKLIST FOR SUPPORTING DOCUMENTS

Check the blank lines along the left margin to indicate that supporting documents attached to application. Keep in mind that separate checklists exist for material specific to each funding program (see websites).

1. **Application** – The application must be completed and must identify the person to whom comments and questions should be directed (Authorized Representative) named in the resolution discussed below.
- 2.(a) **Resolution** - The most recent template ‘Suggested Format’ is attached. A Resolution by the applicant's governing body should affirm required assurances and agreements and designate an authorized representative to file the application, to make necessary certifications, and execute such affidavits as are required by the Rules and Regulations.
- 2.(b) **Certification** - A template certification is attached. Copies of the resolution that accompany the application must be certified as true and correct copies as recorded in the minutes by the governing body.

### FOR WASTEWATER PROJECTS - Attach Items 3a) and 3b) -

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- 3.(a) **Environmental Documentation (environmental assessment)** - A suggested format is furnished with these instructions for the environmental assessment, which must accompany the application. If the applicant has submitted to a Federal agency an environmental assessment for the project, copies of such assessment may be submitted for consideration in lieu of a separate assessment.  
*(Initially four copies of the documents in 3a should be submitted)*
- 3.(b) **Engineering Report** - Engineering Reports shall include, but not be limited to, general description and technical analysis of existing facilities, population studies, statistics on water consumption or wastewater flow, character of water source, character of wastewater generated, the basis of design for the proposed facilities, project cost breakdown, and layout maps and other plans and information sufficient for a clear understanding of the project. Layout maps shall show existing and proposed facilities and clearly indicate existing and proposed service areas.  
*(Initially three copies of the documents in 3b should be submitted)*

Please call to schedule a preliminary meeting with the Facilities Evaluation Unit prior to submitting an engineering report.

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### FOR WATER SUPPLY PROJECTS - Attach Items 3a) and 3b) -

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- 3.(a) **Environmental Review** – The requirements for Environmental Review are explained in the Public Water Supply webpages at:

<http://www.deh.enr.state.nc.us/pws/srf/index.htm>, and clicking on “Environmental Review”

More information is available in the factsheets at:

<http://www.deh.enr.state.nc.us/pws/srf/Pages/Factsheets.htm>

Applicants for State financial assistance (for projects exempt from substantive environmental review) need only fill out the attached Categorical Exclusion form.

Applicants for Federal financial assistance (for projects exempt from substantive environmental review) need to follow the instructions in the *Factsheet: Instructions for Applicants Seeking a Federal Categorical Exclusion*, including filling out the attached Categorical Exclusion form.

Applicants needing to perform an EA (Environmental Assessment) will find instructions on submitting the EA in the *Factsheet: Submitting an Environmental Assessment with an Application for Financial Assistance for Drinking Water Projects*.

3.(b) **Preliminary Engineering Report (PER)** - Three copies of this report as described in 15A NCAC 18C .0307(b). Note the following minimum requirements:

- The PER must be sealed, signed, and dated by a Professional Engineer (PE) licensed to practice in NC.
- The PER must describe the project, document the public health need that the project will address, and estimate the cost of the project.
- The PER must describe the cost-effectiveness of the proposed project and other alternatives, specifically including the 'do-nothing' or 'no build' alternative.

**PERs for planning loans or technical assistance grants** - For water supply project planning loans or technical assistance grants, provide sufficient documentation to demonstrate why the proposed project is needed to eliminate a public health hazard and why priority rating points should be awarded under the applicable priority criteria. Also to the extent feasible, provide documentation similar to that required in the Preliminary Engineering Report (PER) to demonstrate the scope of the desired construction project, and other information such as population and water rates for the applicant's service area for determining points.

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4. **Financial** - The applicant must submit financial information with the application

4.(a) (Wastewater Only) – Form LGC 108A

4.(b) (Wastewater Only) – Form LGC 108C

5. **Financial** - The applicant for a for High Unit Cost grant must submit the following with the application

5.(a) **Water & Sewer Utilities Revenue Form** - Complete the attached "Water & Sewer Utilities Revenue Form" showing the current water and sewer rates and usage and projecting the rates after completion of construction and start-up of the new facilities. The information provided must be consistent with information provided in the LGC forms and the Applicant's User Charge Structure. Attach a copy of the proposed utilities rate structure. Show all calculations.

Note: Drinking Water SRF Applicants use this form to calculate projected residential water rates in order to claim affordability priority points.

5.(b) **Official water and sewer user fee structure** – Provide documentation of the current rates, including the rate schedule. This documentation is typically a copy of official or certified rate sheet. Alternatively, the documentation can be a letter on the **Applicant's** letterhead signed by the **Authorized Official**.

If a rate schedule has not been adopted, the applicant must provide a proposal, including a time schedule, for adopting and placing into effect an acceptable ordinance prior to the completion of the proposed project.

(Suggested Format)

## RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, The Federal Clean Water Act Amendments of 1987 and Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of

Application for DENR Funding Assistance for Wastewater and Drinking Water Projects Page 11 of 25

wastewater or drinking water system improvements, and

WHEREAS, The (unit of government) has need for and intends to construct a wastewater or drinking water system project described as (give brief description of project and why needed), and

WHEREAS, The (unit of government) intends to request state (loan or grant) assistance for the project,

**NOW THEREFORE BE IT RESOLVED, BY THE (GOVERNING BODY) OF THE (UNIT OF GOVERNMENT):**

That (unit of government), the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State (loan or grant) award.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the (unit of government) to make scheduled repayment of the loan, to withhold from the (unit of government) any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That (name and title of official), the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a (loan or grant) to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the (date adopted) at (place), North Carolina.

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(Signature of Chief Executive Officer)

(Title)

**(Suggested Format)**

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting (title of officer) of the (unit of government) does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the (name of governing body of applicant) duly held on the            day of            , (year)    ; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this            day of            , 20    .

---

(Signature of Recording Officer)

---

(Title of Recording Officer)

STATE OF NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

State and Local Government Finance Division
and the Local Government Commission
325 North Salisbury Street, Raleigh, North Carolina 27603-1385

SELECTED FISCAL INFORMATION AS CERTIFIED BY FINANCE OFFICER

Unit \_\_\_\_\_

1. Ad Valorem Tax (current fiscal year):

Appraised Value \$ \_\_\_\_\_ Tax Rate - General Fund \$ \_\_\_\_\_
Total Levy \_\_\_\_\_ - Other funds \_\_\_\_\_
Uncollected At \_\_\_\_\_ - Total \$ \_\_\_\_\_
Percentage Collected \_\_\_\_\_ %

2. For the past 5 fiscal years, has there been a delay in payment or non-payment of matured bonds and coupons when presented to the unit's fiscal agent? \_\_\_\_\_ (Yes; No). If yes, explain circumstances on separate statement.

3. Information relating to compliance with Local Government Budget and Fiscal Control Act: (If answer to any question in this item is No, furnish explanation.)

Table with 3 columns: Question, Yes, No. Rows include: A. Purchasing and Contracts (1) Are purchase orders issued for all commitments over a minimum amount? (2) Do all purchase orders include a preaudit certificate signed by the finance officer... (3) Are all purchase orders posted to appropriate expenditure accounts... B. Other: (1) Do checks or drafts on an official depository bear on their face a preaudit certificate... (2) Are the finance officer, tax collector, and other employees properly bonded... (3) Did the budget provide for all deficits, if any, as shown in the audit report for the prior year?

C. Please include a description of any material instance of misfeasance or malfeasance (within the last three years) which might affect the credit of the unit. \_\_\_\_\_

Table with 3 columns: I certify the above is correct to the best of my knowledge, Finance Officer's Signature, Date



**STATE OF NORTH CAROLINA  
DEPARTMENT OF STATE TREASURER**

*State and Local Government Finance Division  
And the Local Government Commission  
325 North Salisbury Street, Raleigh, North Carolina 27603-1385*

**PROJECTION OF WATER AND SEWER NET REVENUES**

Unit \_\_\_\_\_

Fund \_\_\_\_\_

Complete only if the proposed financing is for water or sewer facilities. Where separate accounting funds are maintained for each system, one schedule may be completed for proposed water bond and one for proposed sewer bonds. Water and sewer operations may be consolidated when either water or sewer financing or both are proposed. Use actual amounts on modified accrual basis of accounting (budgetary basis) from latest audit report.

Fiscal Year \_\_\_\_\_

Fiscal Year \_\_\_\_\_

| REVENUES                |  | 1. Actual Revenue for Last Complete Fiscal Year | Estimated Increase or (Decrease)         |                           | 1 + 2 + 3 Estimated Revenue for Fiscal Year After Completion of Project |
|-------------------------|--|---|--|---------------------------|---|
|                         |  |   | 2. Due to Normal Growth and Rate Changes | 3. Due to Expanded System |   |
| Operating Revenues:     |  |   |  |                           |   |
| Customer charges        |  |   |  |                           |   |
| Impact fees             |  |   |  |                           |   |
| Tap fees                |  |   |  |                           |   |
| Other revenue           |  |   |  |                           |   |
| Total                   |  |   |  |                           |   |
| Non-operating Revenues: |  |   |  |                           |   |
| Interest                |  |   |  |                           |   |
| Restricted sales tax    |  |   |  |                           |   |
| Other                   |  |   |  |                           |   |
| Total                   |  |   |  |                           |   |
| Total Revenues          |  |   |  |                           |   |

| EXPENDITURES                      |          | 1. Actual Expenditure for Last Complete Fiscal Year | Estimated Increase or (Decrease)         |                           | 1 + 2 + 3 Estimated Expenditure for Fiscal Year After Completion of Project |
|-----------------------------------|----------|---|--|---------------------------|---|
|                                   |          |   | 2. Due to Normal Growth and Rate Changes | 3. Due to Expanded System |   |
| Operating Expenditures:           |          |   |  |                           |   |
| Administration                    | Salaries |   |  |                           |   |
|                                   | Other    |   |  |                           |   |
| Operations                        | Salaries |   |  |                           |   |
|                                   | _____    |   |  |                           |   |
|                                   | _____    |   |  |                           |   |
|                                   | _____    |   |  |                           |   |
| Total Expenditures                |          |   |  |                           |   |
| Excess Revenues over Expenditures |          |   |  |                           |   |

Projection of water and sewer net revenues (continued)

|                                      | Actual Expenditures<br>for Last Complete<br>Fiscal Year | Estimated<br>Expenditures First<br>Fiscal Year After<br>Completion of Project |
|--------------------------------------|---|---|
| Other (Do not include depreciation): |   |   |
| Debt principal                       |   |   |
| Interest                             |   |   |
| Capital outlay                       |   |   |
| Capital reserve                      |   |   |
| Transfer to (from) other funds       |   |   |
| Other                                |   |   |
| _____                                |   |   |
| _____                                |   |   |
| Total other                          |   |   |
| Net Income (Loss)                    |   |   |

Does the unit own and operate a Water System and a Sewer System? Yes \_\_\_\_\_ No \_\_\_\_\_ If 'No,' explain \_\_\_\_\_

| <u>Number of Customers</u> |             | <u>Current</u> | <u>After Completion<br/>of Project</u> |
|----------------------------|-------------|----------------|--|
| Water                      | Residential | _____          | _____                                  |
|                            | Commercial  | _____          | _____                                  |
| Sewer                      | Residential | _____          | _____                                  |
|                            | Commercial  | _____          | _____                                  |

| <u>Rate and Fee Structure</u>                                   | <u>Current</u> | <u>After Completion of Project</u> | <u>Percentage of<br/>Change</u> |
|---|----------------|------------------------------------|---------------------------------|
| Indicate monthly cost for an average residential customer:      | _____          | _____                              | _____                           |
| Average gallons per month (for residential customer):           | _____          | _____                              | _____                           |
| <b>WATER</b>  |                |                                    |                                 |
| Rate (include minimum cost/thousand gallons, etc.)- residential | _____          | _____                              | _____                           |
| Average monthly bill within city limits                         | _____          | _____                              | _____                           |
| Average monthly bill outside city limits                        | _____          | _____                              | _____                           |
| <b>SEWER</b>  |                |                                    |                                 |
| Rate (include minimum, etc.)-residential                        | _____          | _____                              | _____                           |
| Average monthly bill within city limits                         | _____          | _____                              | _____                           |
| Average monthly bill outside city limits                        | _____          | _____                              | _____                           |

TAP FEE POLICY: \_\_\_\_\_

IMPACT FEE POLICY: \_\_\_\_\_

## Water & Sewer Utilities Revenue Form

To enable DENR to determine eligibility for funding programs, provide the following projected user charge information after completion of construction and at start-up of the new facilities. If a service will not be provided, then mark "service not provided" and leave section blank. Do not leave a section blank if service will be provided.

For a High Unit Cost Grant Application, you must provide information for both water and wastewater.

**WATER** \_\_\_\_\_ service will be provided \_\_\_\_\_ service will not be provided

**Current Average Residential User Fee** (use monthly average for the most recent year):

\$ \_\_\_\_\_ monthly revenue from residential customers / \_\_\_\_\_ # residential connections  
 = \$ \_\_\_\_\_ /residential connection

**Current Average non-Residential User Fee** (use monthly average for the most recent year):

\$ \_\_\_\_\_ monthly revenue from non-residential customers / \_\_\_\_\_ # non-residential connections  
 = \$ \_\_\_\_\_ /non-residential connection

**What effect will the project have on the rate?** (include calculations): \$ \_\_\_\_\_ /month

**Projected Average Residential User Fee:**

\$ \_\_\_\_\_ monthly revenue from residential customers / \_\_\_\_\_ # residential connections  
 = \$ \_\_\_\_\_ /residential connection

**Projected Average non-Residential User Fee:**

\$ \_\_\_\_\_ monthly revenue from non-residential customers / \_\_\_\_\_ # non-residential connections  
 = \$ \_\_\_\_\_ /non-residential connection

Calculate the Residential User Fee for 4,500 gallons /month. Report the rate separately for each rate basis (e.g., for inside and outside rates, or for service areas subject to separate rates). Use additional sheets as needed, showing all calculations:

| Rate Basis: (e.g., 'inside city limit, pressure zone 1') | Number of Customers       | Rate at 4,500 gallons per month |
|--|---------------------------|---------------------------------|
|  |                           |                                 |
|  |                           |                                 |
|  |                           |                                 |
| Weighted Average   | Total Number of Customers | Weighted Average Rate           |
|  |                           |                                 |

## Water & Sewer Utilities Revenue Form

**SEWER** \_\_\_\_\_ service will be provided \_\_\_\_\_ service will not be provided

**Current Average Residential User Fee** (use monthly average for the most recent year):

$$\begin{aligned}
 & \$ \underline{\hspace{2cm}} \text{ monthly revenue from residential customers / } \underline{\hspace{2cm}} \text{ \# residential connections} \\
 & = \$ \underline{\hspace{2cm}} \text{ /residential connection}
 \end{aligned}$$

**Current Average non-Residential User Fee** (use monthly average for the most recent year):

$$\begin{aligned}
 & \$ \underline{\hspace{2cm}} \text{ monthly revenue from non-residential customers / } \underline{\hspace{2cm}} \text{ \# non-residential connections} \\
 & = \$ \underline{\hspace{2cm}} \text{ /non-residential connection}
 \end{aligned}$$

**What effect will the project have on the rate?** (include calculations): \$ \_\_\_\_\_ /month

**Projected Average Residential User Fee:**

$$\begin{aligned}
 & \$ \underline{\hspace{2cm}} \text{ monthly revenue from residential customers / } \underline{\hspace{2cm}} \text{ \# residential connections} \\
 & = \$ \underline{\hspace{2cm}} \text{ /residential connection}
 \end{aligned}$$

**Projected Average non-Residential User Fee:**

$$\begin{aligned}
 & \$ \underline{\hspace{2cm}} \text{ monthly revenue from non-residential customers / } \underline{\hspace{2cm}} \text{ \# non-residential connections} \\
 & = \$ \underline{\hspace{2cm}} \text{ /non-residential connection}
 \end{aligned}$$

Calculate the Residential User Fee for 5,000 gallons /month. Report the rate separately for each rate basis (e.g., for inside and outside rates, or for service areas subject to separate rates). Use additional sheets as needed, showing all calculations:

| Rate Basis: (e.g., 'inside city limit, pressure zone 1') | Number of Customers       | Rate at 5,000 gallons per month |
|--|---------------------------|---------------------------------|
|  |                           |                                 |
|  |                           |                                 |
|  |                           |                                 |
|  |                           |                                 |
| Weighted Average   | Total Number of Customers | Weighted Average Rate           |
|  |                           |                                 |

## Water Supply Watershed Protection Form (WSWPF)

Local governments that **have adopted and are implementing** water supply watershed protection ordinances that **exceed** (are more protective than) the state's minimum requirements will be given additional consideration in qualifying for the water and sewer bond money. A summary of the state's minimum water supply watershed protection requirements can be found on the back of this page. Alternatively, those local governments that have developed and implemented a **wellhead protection** program will also receive additional consideration.

**Directions:** Fill out a separate copy of this form for each surface water supply watershed your local government has jurisdiction in. Please answer all of the following questions. If you respond "yes" to any question, be sure to fill out the information regarding the details of the management requirement, including how the local government requirement goes beyond the state's minimum criteria, and the title and location (page number) of the ordinance. Please attach a copy of relevant section(s) of ordinance, and if applicable maps showing the minimum required and actual boundaries.

Name of local government: \_\_\_\_\_

If municipality, name of county where municipality is located: \_\_\_\_\_

Name of surface water supply watershed (name of lake or river): \_\_\_\_\_

Classification of water supply watershed:  WS-I  WS-II  WS-III  WS-IV

Wellhead Protection Plan Approved?  Yes (attach copy of approval letter)  No

Is your local water supply watershed protection ordinance more protective than the state's minimum criteria for (check "yes" if your ordinance is more protective than state's minimum requirements):

**Example of a qualifying ordinance:** The state's water supply watershed protection requirements require a 30-foot vegetated buffer for all new low density development. If a local government's ordinance requires a 50-foot buffer that is left in a natural state, then that would meet the criteria for being more protective.

- 1) **Buffers?**  Yes  No  
Local Government Requirement: \_\_\_\_\_  
\_\_\_\_\_  
Zoning or subdivision citation: \_\_\_\_\_  
Page where citation is located: \_\_\_\_\_
- 2) **Development Density?**  Yes  No  
Local Government Requirement: \_\_\_\_\_  
\_\_\_\_\_  
Zoning or subdivision citation: \_\_\_\_\_  
Page where citation is located: \_\_\_\_\_
- 3) **Critical Area?**  Yes  No  
Local Government Requirement: \_\_\_\_\_  
\_\_\_\_\_  
Zoning or subdivision citation: \_\_\_\_\_  
Page where citation is located: \_\_\_\_\_
- 4) **Protected Area?**  Yes  No  
Local Government Requirement: \_\_\_\_\_  
\_\_\_\_\_  
Zoning or subdivision citation: \_\_\_\_\_  
Page where citation is located: \_\_\_\_\_



**Request for Categorical Exclusion  
from Substantive Environmental Review  
For Drinking Water Projects Only**

Instructions:

1. Provide the DEH number for the project for which you are requesting consideration.
2. Please fill out the applicant's formal name. If you are a county authority, please specify which county. "County Water District VII" is not an acceptable name; "ABC County Water District VII" is acceptable.
3. Please check all applicable exclusions. Failure to check an applicable exclusion will result in the rejection of your request.
4. Either the "authorized representative," or the Professional Engineer responsible for the PER must sign the form. If the PE signs the form, it must include the PE seal.

**DEH No.:** \_\_\_\_\_

**Applicant:** \_\_\_\_\_

**Project  
Description**

We certify that the project described in the application for state-supplied financial assistance meets all of the applicable general criteria listed in 15A NCAC 1C .0408 (1), and consists solely of activities exempted under the specific criteria of 1C .0408 (2) checked below:

**Please Check all the Exclusion(s) that apply**

- Potable water systems including the construction or rehabilitation of wells for water supply purposes with associated groundwater withdrawals of less than 1,000,000 gallons per day where such withdrawals are not expected to cause alterations in established land use patterns, or degradation of groundwater or surface water quality. [1C .0408 (2)(c)].

Other potable water systems including the following:

- Improvements to water treatment plants that involve less than 1,000,000 gallons per day added capacity and total design withdrawal less than one-fifth of the 7-day, 10-year low flow of the contributing stream; [1C .0408 (2)(b)(i)]
- Improvements not intended to add capacity to the facility; [1C .0408 (2)(b)(ii)]
- Installation of waterlines and appurtenances in existing rights-of-way for streets or utilities, or water lines and appurtenances less than five miles in length and having only directional bore stream crossings or no stream crossings; [N.C.G.S. §113A-12(1) & 1C .0408 (2)(b)(iii)]
- Construction of water tanks, or booster pumping or secondary or remote disinfection stations; [1C .0408 (2)(b)(iv)]
- Dams less than 25 feet in height and having less than 50 acre-feet or storage capacity [1C .0408 (2)(h)] (Notes: #1 Dam projects are ineligible for federally recognized CE. #2 Only off-stream raw water reservoirs for pre-treatment purposes are eligible for DWSRF funding.)

We further certify that the project does not have a significant direct, indirect, cumulative or secondary adverse environmental impact as described in 15A NCAC 1C .0306, and that none of the following descriptions apply to the project:

**Request for Categorical Exclusion  
from Substantive Environmental Review  
For Drinking Water Projects Only**

- the proposed activity may have a potential for significant adverse effects on wetlands; surface waters such as rivers, streams and estuaries; parklands; game lands; prime agricultural or forest lands; or areas of local, state or federally recognized scenic, recreational, archaeological, ecological, scientific research or historical value, including secondary impacts; or would threaten a species identified on the Department of Interior's or the state's threatened and endangered species lists; [1C .0306 (1)] or
- the proposed activity could cause changes in industrial, commercial, residential, agricultural, or silvicultural land use concentrations or distributions which would be expected to create adverse water quality, instream flow, air quality, or ground water impacts; or affect long-term recreational benefits, fish, wildlife, or their natural habitats; [1C .0306 (2)] or
- the proposed activity has secondary impacts, or is part of cumulative impacts, not generally covered in the approval process for the state action, and that may result in a potential risk to human health or the environment; [1C .0306 (3)].

Therefore, we believe our project is eligible for consideration for a CE from the State's environmental assessment review processes and request that the State of North Carolina concur with our determination.

We understand that the State of North Carolina may determine that the proposed activity is of such an unusual nature or has such widespread implications that a concern for its environmental effects has been identified by DENR or expressed to DENR. We understand that, in this case, the activity may be ineligible for CE under 1C .0306 (4).

We recognize that this request supplies information sufficient **only** for state-financed assistance under the 15A NCAC 1J and 1L rules. If we are applying (either additionally or exclusively) for federally-financed assistance under the Drinking Water State Revolving Fund Program, additional steps (including obtaining comment letters and publicizing the requested action) apply.

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Authorized Representative Printed Name

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Authorized Representative Signature & Date

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Authorized Representative Title

State Use Only (Review)

Reviewed by: \_\_\_\_\_

**Department Approval:** \_\_\_\_\_

# Checklist for Water Loss Reduction Program

## For Drinking Water Projects Only

To qualify for priority points for a water loss prevention program (under 15A NCAC 1J .1701(a)(2), 1L .0801(1)(b), or the DWSRF Operating Agreement II.S.e.(ii)(1), document the three required activities listed below:

- 1) **Water Audit (Required for priority points)**

The minimum level of documentation is one water audit (comparison of water sold verses water produced) for each billing cycle over the last running year. Each audit should include the following information:

  - a) amount of water in gallons,
  - b) percent of total water produced,
  - c) a graph showing trends in time, and
  - d) cost of lost or unaccounted-for water at average per-gallon billing rate.
  
- 2) **Metering (Required for priority points)**
  - a) List the percent of connections metered - including municipal/government, contractor tank trucks, and line flushing.
  - b) Describe the Meter Replacement Program including the percent of meters replaced per year.
  - c) Describe the large meter calibration program.
  - d) Implement zone or master metering to determine where in the system water is being lost. (recommended only)
  
- 3) **Hidden Leak Detection and Repair (Required for Priority points)**
  - a) Tabulate the man-hours per billing cycle.
  - b) Describe the equipment used.
  - c) Include leak location and repair records including, maps of repairs made.
  - d) Include estimates of water saved for example repairs.
  - e) Implement automatic excess customer usage highlighting/notification through billing system.
  - f) Take advantage of opportunities to examine system components for soundness. For example, every time a valve is exercised, the operator should check for leaks. Adopt the slogan: "If you touch it, sound it!" (meters, hydrants, valves, etc.).
  
- 4) **Line Location Services (Recommended)**
  - a) List the percent of the system mapped and the method of mapping used (manual or GIS).
  - b) Describe how the line listing is kept current.
  
- 5) **Valve Exercising (Recommended)**

Tabulate the frequency goal, actual number & location/billing cycle & year.

Don't forget to also download the separate checklist(s) for whatever funding program you wish to apply for:

- DWSRF
- HUC Grant
- SRL
- SEL
- etc.

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