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## *TISPC DECEMBER 2021 UTILITY GRANTS UPDATE*

Merry Christmas! At the December TISPC one of the 2022 state goals adopted was to "Find assistance in obtaining funding for water and sewer projects including opportunities in infrastructure bills." In the 2021 state budget that passed in November, there was over \$1.5B in funds appropriated for water and wastewater. This funding is allocated to several existing DEQ utility funds. In this newsletter is an explanation of the appropriations and information on the current DEQ funds and how typically grant applications are handled. On the DEQ website (<https://deq.nc.gov/about/divisions/water-infrastructure/i-need-funding>) they post that ARPA-related funding information and application training information/dates will be available here soon. The first funding round utilizing ARPA funds will be in Spring 2022.

- Water Infrastructure Fund - D57 Money Report, Pg. 308 - 315 Bill Report
  - Viable Utility Reserve
    - \$456,400,000 NR 1 year; Provides funds to the Viable Utility Reserve that will then be used to provide grants to water and sewer utilities deemed as distressed by the State Water Infrastructure Authority and the Local Government Commission. Grants can be used on projects for physical interconnection and extension to provide regional service, rehabilitation, decentralization, study of rates, asset inventory/assessment, merger/regionalization, and others that will generate sufficient revenues to fund management and operation.
  - Drinking Water Reserve and Wastewater Reserve Infrastructure Grants
    - \$1,049,975,000 NR 1 year; The funds included in this appropriation are divided into two pots:
      1. \$317,500,000 for grants for at-risk project construction - for utilities that are at-risk of becoming distressed according to State Water Infrastructure Authority criteria.
      2. \$732,500,000 for additional construction grants - for utilities not eligible for the at-risk designation. \$42,000,000 is slated for the NC Department of Commerce to provide water/sewer infrastructure projects intended to advance economic development and affordable housing objectives. An additional \$500,000 is earmarked for the NC National Guard for a project.



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- State Drinking Water/Wastewater Reserve Asset Inventory and Technical Assistance Grants
  - \$80,000,000 NR 1 year; Capped at \$400,000 per grant and funds may be used for asset inventories, merger feasibility studies, rate studies, and training.
- Local Assistance for Stormwater Infrastructure Investment (LASII)
  - \$103,625,000 NR 1 year; Provides funds to a new program that supplies local governments with grants for stormwater infrastructure.

### **Existing DEQ Utility Funds**

- State Wastewater and Drinking Water Reserve Programs
  - Provides grants and loans for planning, design, and construction of critical water infrastructure.
  - The amount of grants/loans for each system awarded for 3 consecutive fiscal years may not exceed \$3,000,000.
- Merger/Regionalization Feasibility Grants
  - Provides grants for studies to evaluation the potential consolidation of two or more systems into one system and the potential physical interconnection with another system.
  - Grants are limited to \$50,000 to the same system over a period of 3 years.
- Viable Utilities Program
  - Provides funding to build a path toward viable utility systems using long-term solutions for distressed water and wastewater units in North Carolina.

### **Application Process**

- Applications are accepted either once or twice per year, depending on the funding program.
- Each application includes a priority rating form that evaluates the proposed project in terms of need for the project, environmental benefits, system management, and financial situation.
- For application forms and instruction click [here](#)
- For application submission information click [here](#) and scroll to the bottom of the page