



South Carolina
Rural Infrastructure Authority

GRANT & TECHNICAL ASSISTANCE

Program Strategy

FY 2026-2027 | PUBLISHED JULY 2026

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Grant & Technical Assistance Program Strategy FY 2026-2027

Contents

Program Objectives	3
Grant Programs	4
Eligible Applicants	4
Available Funding	4
Application Guidelines	5
Grant Program Descriptions	10
Grant Application Submission and Selection	17
Viability Improvement Program	20
Purpose	20
Eligible Applicants	20
Program Description	21
Priorities	22
Available Funding	23
Local Commitments	23
Application Submission and Selection	23

Program Objectives

The South Carolina Rural Infrastructure Authority (RIA) was created under Title 11, Chapter 50 of the South Carolina Code of Laws to select and assist in financing qualified rural infrastructure projects. In 2016, this assistance was extended to qualified infrastructure projects statewide.

Qualified infrastructure projects must protect public health and water quality by improving environmental facilities and services or building infrastructure capacity to support economic development and employment opportunities.

RIA is governed by a seven-member Board of Directors (Board) which selects qualified infrastructure projects for grant funding. This RIA Grant Program Strategy, which is updated on an annual basis, reflects the Board's plan for distributing grant and technical assistance funds and selecting qualified projects. It includes a description of the grant programs and funds available as well as the process for project selection. Each program category includes a description of the eligible activities, grant amounts, match requirements and other information for applicants.

RIA offers assistance to local governments and other eligible entities primarily through competitive grants for publicly owned water, wastewater and stormwater drainage facilities. This assistance helps communities close the gap between needs and resources as well as build a strong foundation for the future.

RIA makes strategic investments in qualified infrastructure projects that target the following program objectives:

- Improve the quality of life by addressing public health, environmental and regulatory concerns;
- Create opportunities for economic impact by building infrastructure capacity to support economic development; and
- Increase community sustainability by helping to maintain reliable, affordable and resilient infrastructure as well as by encouraging regional solutions.

RIA Objectives

Quality of Life

Economic Opportunity

Sustainability

RIA targets technical assistance to small and rural communities.

Wherever possible, RIA will leverage additional resources to maximize the impact of projects statewide. To further such efforts, RIA will work collaboratively with applicants and other partners to coordinate any available assistance and serve as a catalyst for further investment in communities.

Grant Programs

ELIGIBLE APPLICANTS

RIA is authorized to provide grants and assistance to local governments, special purpose and public service districts, as well as public works commissions for planning, constructing and improving infrastructure facilities statewide.

Not-for-profit water/sewer companies are not eligible applicants, but may be assisted with RIA funds if the local government being served by the project serves as the applicant.

AVAILABLE FUNDING

As of the publication date of this document, the state budget for FY 2027 has not been finalized. The amounts provided below are estimates based on current budget proposals and will be updated when the final budget is approved.

The amount of funds to be made available for grant distribution for FY 2027 is \$44.8 million. Funds are being set aside in the grant program categories as described herein. However, the Board may allocate more or less than the total funding or the amounts for each grant program category depending on demand and fundability of projects. Also, specific amounts will not be allocated for each grant funding round, but the Board may make a determination to reserve some funding for each round.

PROGRAM CATEGORY	ESTIMATED AMOUNT
Basic Infrastructure	\$35 million
Economic Infrastructure	\$8.8 million
Regional Planning	\$1 million
Total Funds Available	\$44.8 million

APPLICATION GUIDELINES

Match/Cost Sharing

All applicants are expected to cost-share in construction project activities. Applicants within counties designated by the SC Department of Revenue (DOR) as a Tier III or IV county must fund all non-construction and other ineligible costs. Applicants within the remaining counties, designated by DOR as Tier I or II, are required to fund all non-construction and other ineligible costs as well as provide a match of at least 25% of the total construction costs. To ensure consistency throughout a program year, the county designations for calendar year 2026 will be used for all applications received in FY 2027.

Thresholds

The applicant must own, operate and maintain the facilities being improved except that a local government may: (1) apply on behalf of a not-for-profit water/sewer company operating in its jurisdiction; or (2) apply for an Economic Infrastructure project.

Generally, applicants may submit only one application per program category. With the exception of phased projects, a single project is not eligible for more than one grant, regardless of the applicant. Each phase of a multi-phased project must completely solve a problem and the rationale for the phased approach must be clearly explained in the application. Additional applications may be considered under the following circumstances.

- A local government may submit an application and also apply on behalf of one or more not-for-profit water/sewer entities.
- An eligible, public entity that owns infrastructure operated and/or maintained by another eligible, public entity, may request the operator to submit an application or implement the project on behalf of the owner. This must be authorized in writing by the chief executive official (elected or administrative) for the owner. The operating system may still be eligible to submit an application on its own behalf.
- If there is an emergency or if a project requires a timely response to ensure job creation and investment, then additional applications in that program category may be considered.
- Each participant in a new regional partnership agreement may submit an application for a separate project. Each participant in a regional partnership may initially receive one grant after joining the partnership but thereafter will be considered part of the regional entity and subject to the regular threshold requirements.

- Entities that have an open state grant are generally not eligible to apply for another grant in the same category. However, current grantees located in Tier III or IV counties at the time of application may be eligible to submit another application within the same competitive grant category if:
 - 75% of RIA funds have been drawn and documented; or
 - the grantee has a recent public health violation requiring timely action.
 - To determine this eligibility, the grantee should submit a written request from the chief executive official at least 30 days prior to the application due date. RIA may require the close-out of an existing grant as a condition of a new grant award.
- Having a current, federally-funded South Carolina Infrastructure Investment Program (SCIIP) grant or a state grant awarded as SCIIP match does not preclude an entity from applying for a state grant in FY 2027 if otherwise eligible.
- Emergency projects (as defined in the Basic Infrastructure section of this document) submitted outside of a competitive funding round will only be accepted from applicants in Tier III or IV counties.

In all cases, the grantee must document the capacity to carry out multiple grant projects simultaneously. Additional applications from an eligible applicant in the same program category are subject to RIA approval. Please contact an RIA grant manager for additional guidance.

Once a project has been approved, it should generally be completed before another application is submitted within the same category. Emergency projects and Regional Planning projects should be completed and closed within 18 months of grant award. Other projects are expected to be completed and closed within 24 months of grant award. An inability to complete a project within the grant period may be taken into consideration on future grant requests.

All applicants must demonstrate the ability to properly operate and maintain their systems as well as any RIA-funded improvements. The results of RIA's Utility Viability Tool may be used to document this. State law requires municipalities and counties to conduct annual audit or financial statements. If an audit is listed as delinquent on the Office of the State Treasurer's website, an RIA grant may not be awarded or may be conditioned upon compliance with the audit requirements.

Eligible & Ineligible Costs for Capital Improvement Grants

RIA offers assistance for publicly owned water, wastewater and stormwater drainage facilities. RIA funds may only be used for eligible, project-related construction costs, except those specified as the applicant's responsibility. If construction contingencies are included in the detailed cost estimate submitted with the application, they must not exceed 10% of the estimated construction cost.

Applications should not be submitted for activities that are under contract or obligated at the time of application. RIA will not reimburse expenditures incurred prior to grant award and clearance of grant conditions, unless otherwise approved.

Non-construction and other costs that are the applicant's responsibility include:

- Repairs, operating or maintenance expenses
- Software costs or maintenance contracts
- Relocation of utilities unless there is an upgrade of the line
- Equipment that is not a permanent part of the system
- Septage receiving facilities
- Impact fees, private service line costs, or new connections
- Acquisition costs
- In-kind labor
- Engineering or permitting fees
- Legal or administrative fees
- Any work on private property without a permanent easement

Generally, the purchase of meters or generators as a stand-alone project is not eligible. However, for projects within Tier III and IV counties, RIA may consider allowing such permanently installed equipment where there is a demonstrated need for greater resiliency and sustainability, but it will not receive the highest priority.

Project costs will be comparatively evaluated and must be reasonable. Generally, RIA costs should not exceed \$20,000 per customer served or \$10,000 per job created. If such costs are higher, additional justification must be provided in the application to document the cost effectiveness of the proposed project. For new line extensions, the applicant should have written agreements/commitments from customers to connect to the new line. A commitment rate of 70% is considered appropriate to ensure the feasibility of project costs. Such commitments must be appropriately documented.

Application Submission and Deadlines

Application Due Dates

Round 1: September 14, 2026

Round 2: March 22, 2027

Applications will be considered on a competitive basis in two funding rounds scheduled for the fall and spring of each year. However, applications for projects requiring a more timely response due to an emergency in a Tier III or IV county or to address a significant job creation and investment commitment may be submitted for consideration at any time.

Regional Planning applications may also be submitted for consideration at any time.

In cooperation with other infrastructure funders, RIA may consider application submissions to other programs or co-funding opportunities on projects that meet RIA eligibility criteria.

RIA staff are available to provide technical assistance to help potential applicants determine the eligibility of a project or discuss how to apply for funding. Application workshops, webinars or instructional videos are made available to help applicants with the submittal process.

The application for RIA grant funds may be downloaded from the website (www.ria.sc.gov) and is available upon request by contacting RIA at 803-737-0390 or info@ria.sc.gov.

In order to be considered for RIA funding, the chief executive official for the applicant must sign and submit a complete application that meets all program requirements. Grant applications consist of project application forms and certifications, as well as a narrative description of the project and justification for the need, feasibility, impact and amount requested. The application also consists of attachments including funding commitments, a detailed cost estimate, maps and other appropriate documentation. Applications must be received by 5:00 p.m. on the due date.

All application documents must be submitted via email; **some** application documents must also be mailed or hand delivered with original signatures. Please submit all of the following items:

1. **One hard copy** of the signed application form only (2 pages) and any funding commitment letter(s) with original signatures

AND

2. Required electronic files (2 separate PDFs):
 - a. The PDF of the application form, completed but unsigned and saved in its original format (NOT printed and scanned)
 - b. A **single** PDF of all attachments, in the requested order

Submit application form and
commitment letter(s) to:

SC Rural Infrastructure Authority
1201 Main Street, Suite 1600*
Columbia, SC 29201

**Use Suite 1740 for in-person deliveries*

-AND-

Email PDF files to:

info@ria.sc.gov

Applications submitted, but not funded in Round 1, may be considered in Round 2 upon written request by the chief executive official of the applicant. Applicants may also request technical assistance and will have the opportunity to improve the competitiveness of the project by submitting a revised application for consideration in Round 2.

Applicants may request a modification of any program guideline if there are exceptional circumstances, such as an urgent and compelling need or other significant project funding is at risk and there are no other funding sources available. RIA may request additional documentation (such as financial statements, audits, etc.) to justify the program modification(s). Such requests must be submitted in writing by the chief executive official with the application submission and will be considered on a case-by-case basis. The Board may make modifications to these guidelines when it is considered to be necessary or appropriate to achieve the purposes and intent of the South Carolina Rural Infrastructure Act.

GRANT PROGRAM DESCRIPTIONS

Basic Infrastructure

Purpose

This program is designed to assist communities in bringing systems into compliance with environmental quality standards, protecting public health from environmental concerns or improving the capacity and viability of existing infrastructure.

Grant Requests

Up to \$1,500,000

A larger grant may be requested where there are special circumstances to justify the request. The chief executive official must submit a written request along with the rationale for a larger grant. The request and documentation of the special circumstances must be provided with the application. Factors which may be considered in determining the appropriateness of the special request include:

- (1) the project involves a regional solution that will lead to greater viability for one or more systems, or resolution of a consent order, or other system-wide improvement that will have substantial impact;
- (2) a significant contribution of other funds; and
- (3) the financial capability of the applicant.

RIA reserves the right to limit multiple grants in excess of \$1,500,000 in order to ensure a more equitable distribution of funds. Consult an RIA grant manager for assistance before making such a request.

Eligible Activities

Construction, upgrades, improvements or extensions of water, wastewater or stormwater drainage facilities owned by a public utility, local government or eligible not-for-profit utility receiving funds as a subrecipient.

Priorities

Applicants must address the severity of the need and provide supporting documentation which quantifies the frequency of the problem and the number of customers impacted. Priority consideration will be given to projects based on a comparative analysis of the documentation in the following relative order.

- (1) Projects that implement a new regional or integrated solution to achieve long-term viability for one or more systems.

- (2) Projects that address water quality issues identified in US Environmental Protection Agency (EPA) or SC Department of Environmental Services (DES) consent orders or unsatisfactory ratings, or emergency projects that will resolve an imminent public health or environmental threat that has become critical in the past six months. Stormwater drainage projects that will resolve a recent public health and safety threat, creating greater resiliency.
- (3) Projects that address other health and environmental issues, including violations identified in DES sanitary surveys or compliance evaluation inspections, and projects that address documented stormwater problems where there are no existing drainage structures to collect and manage water flow.
- (4) Projects that improve aging infrastructure that has reached the end of its useful life or is in severely deteriorating condition and negatively impacting the system, or other projects that improve services and capacity for existing and future customers. This includes improvements to existing stormwater management structures or stream restoration to increase capacity and improve storm protection.

EPA or DES violations related to reporting, monitoring, program management or operational issues are not considered a priority.

Applicants must be able to demonstrate the financial, managerial and technical ability to carry out the project and to properly operate and maintain the RIA-funded improvements as well as the overall system. **For water or wastewater projects, such information must include completion of the Utility Viability Tool found on the RIA website.** Additional relevant information will also be considered including historical and planned rate structures or recent staffing changes. For stormwater projects, submission of current or planned stormwater fees, recent plans for staffing and maintaining the improvements or other applicable information may be submitted.

Emergency projects are defined as those addressing an imminent public health or environmental threat that has become critical in the past six months, requiring immediate action to resolve the emergency and where no other funds are available. Such projects in Tier III and IV counties may be submitted at any time and will not be subject to comparative analysis in a funding round. Emergency projects will be evaluated using criteria for need, feasibility and impact, as applicable, and may be funded at any time. To address the emergency in a timely manner, if funded, the project must be completed and closed within 18 months.

Economic Infrastructure

Purpose

This program is designed to help build local infrastructure capacity to support economic development activities that will lead to the creation or retention of jobs and boost opportunities for economic impact within communities.

Grant Requests

Up to \$1,500,000

A larger grant may be requested where there are special circumstances to justify the request. The chief executive official must submit a written request along with the rationale for a larger grant. The request and documentation of the special circumstances must be provided with the application. Factors which may be considered in making a determination of the appropriateness of the special request include:

- (1) the project involves job creation, retention of over 150 jobs or system-wide improvements that are necessary for economic development;
- (2) a significant contribution of other funds; and
- (3) the financial capability of the applicant.

RIA reserves the right to limit multiple grants in excess of \$1,500,000 in order to ensure a more equitable distribution of funds. Consult an RIA grant manager for assistance in making such a request.

Eligible Activities

Construction, upgrades, improvements or extensions of water, wastewater or stormwater drainage facilities owned by a public utility, local government or eligible not-for-profit utility receiving funds as a subrecipient.

Priorities

Consideration will be given to projects based on a comparative analysis of the supporting documentation in the following relative order.

- (1) Projects that create impact through new job creation and private investment.
- (2) Projects that will expand system capacity to help existing businesses create or retain jobs or to accommodate reasonable growth.
- (3) Projects that support development of publicly owned industrial sites or industrial parks.

- (4) Projects that serve other publicly owned properties with demonstrated potential to create or retain jobs and private investment.

RIA will seek input and recommendations from the SC Department of Commerce (Commerce) to determine the feasibility, potential economic impact and appropriateness of assistance.

Generally, RIA will only fund economic development projects to support job creation where there is a funding gap after other state and local assistance is exhausted. Applications for such projects should be submitted to RIA simultaneously with or following approval of any other incentives. The employer will be required to sign a performance agreement that commits to job creation within five years, unless otherwise approved. Applications for these projects should include documentation from the employer of willingness to enter into a performance agreement.

Projects that require a timely response to ensure job creation and investment will not be subject to comparative analysis in a funding round. Such projects will be evaluated using criteria for need, feasibility and impact, as applicable, and may be funded at any time.

Regional Planning

Purpose

This program is designed to provide planning assistance for eligible public utilities seeking greater long-term viability and sustainability through comprehensive regional partnerships. Examples include long-term operational agreements and creation of regional systems. Investigating physical interconnection with another utility, in the absence of additional forms of partnership, is generally not eligible for this program.

Planning activities must assess the feasibility and resource requirements of a regional solution for one or more water or wastewater utilities and address related technical/operational, financial and managerial concerns. This includes broad assessment of asset conditions; financial and management capability to operate, maintain and make needed improvements; identification of challenges; exploration of options for regional partnerships; facilitation of discussion between parties; and recommendations of next steps and timeframes.

Eligible Applicants

- Public water/wastewater utilities
- Larger public utilities or local governments may apply on behalf of or in partnership with another eligible applicant
- Not-for-profit water/wastewater utilities may be a part of a study but may not be a subrecipient of grant funds even if an eligible local government applies on their behalf.

Grant Requests

Up to \$500,000 based on the scope of work proposed.

A larger grant may be requested where there are special circumstances to justify the request. The chief executive official must submit a written request along with the rationale for a larger grant. The request and documentation of the special circumstances must be provided with the application.

Factors which may be considered in determining the appropriateness of a larger grant request include:

- (1) if there is consensus among multiple systems to consolidate in order to achieve greater viability and a more comprehensive assessment is required to implement the agreed upon solution;
- (2) whether the project involves a regional solution that will lead to greater viability for one or more systems;

- (3) extent of technical studies required to resolve a consent order, or other significant water quality concern;
- (4) comprehensiveness of the study required to address specifically identified technical, financial, and managerial/operational aspects of the system; and
- (5) the financial capability and extent of viability of the applicant.

Eligible Activities

Planning funds may be used for engineering, financial and other technical consultant costs associated with the preparation of studies and system assessments. All activities must relate directly to the regional partnership under consideration, but may include general assessments such as system condition assessments, hydraulic modeling, and GIS mapping; or financial management assessments such as rate studies, budgeting and operational cost analyses. A planning grant could also be used to facilitate discussions, identify issues, evaluate legal alternatives and work toward a consensus solution.

RIA will require applicants to complete the Utility Viability Tool found on the RIA website as part of the application request. Additional participating utilities may complete the Utility Viability Tool during the course of the study, if funded.

All studies should consider key technical/operational, financial and managerial issues impacting the system's ongoing operations and the potential regional partnership as well as identification of both short-term actions and long-term potential solutions.

If approved, the scope of work may be more fully developed in conjunction with RIA, as appropriate. Generally, planning activities are carried out through a contract with an engineering consultant. This consultant must be procured after grant award using a request for qualifications (RFQ) or request for proposals (RFP) process. If a consultant assisted with preparation of the grant application and also wishes to respond to the solicitation for grant-funded planning activities, steps must be taken to ensure fair and open competition. In most cases, the full grant application and any other relevant information must be published with the RFQ/RFP.

All studies are expected to have specific actionable recommendations. The purpose of the planning grant is to facilitate decision-making and improvements that will lead to greater viability through regional partnerships. Failure to consider planning grant recommendations could impact the system's ability to qualify for future RIA grants.

Eligible Costs

RIA funds may only be used for approved planning costs, except those specified as the applicant's responsibility. Applications should not be submitted for any activities that are under contract or obligated at the time of application. RIA will not reimburse expenditures incurred prior to grant award and clearance of grant conditions, unless otherwise approved.

The application must provide a detailed cost estimate for each component or type of assessment to be conducted as part of the study. Planning costs will be comparatively evaluated and must be reasonable. Costs that are the applicant's responsibility include administrative fees and other planning and implementation costs not included in the grant award.

Priorities

Applicants must be able to document the potential for a regional solution, cooperation of key partners and how the project will contribute to long-term viability through a regional partnership. Priority consideration will be given to projects based on the scope of the study proposed in the following relative order:

- (1) Assessment of regional partnerships for utilities with significant long-term viability concerns
- (2) Assessment of regional partnerships for utilities with significant compliance or financial issues
- (3) Assessments needed to further other regional partnerships that are in progress or will promote greater long-term sustainability

Applications for Regional Planning grants may be submitted for consideration at any time, and funding for these grants is limited. Applications will be considered in the order they are received. Regional Planning Grant projects are expected to be completed and closed within 18 months of grant award.

GRANT APPLICATION SUBMISSION AND SELECTION

Applications will be reviewed for completeness, eligibility and consistency with program objectives, priorities, and guidelines. Applications that are incomplete or contain significant problems, deficiencies or discrepancies, such that a determination of the eligibility or feasibility of the project cannot be readily determined, will not be presented to the RIA Board as a qualified project. Projects which are locally controversial will not be considered feasible until the controversy is satisfactorily resolved.

RIA may request additional information from the applicant or other sources as necessary to evaluate the application and proposed project, but such requests should not be viewed as an indication of priority consideration. Any clarifications requested must be submitted within the timeframe specified and must be acceptable to RIA. Failure to adequately respond or submit the requested documentation within the requested timeframe may result in the project not being presented to the RIA Board as a qualified project. An on-site review of the proposed project may be conducted as necessary to verify information in the application.

As part of the due diligence review, RIA may seek the expertise of other appropriate state or federal agencies (DES, Commerce, EPA, Rural Development, Army Corps of Engineers, etc.) to determine the appropriateness of the assistance or compliance with federal or state requirements.

Upon completion of all due diligence reviews, qualified projects will be prioritized based on a comparative evaluation of need, feasibility and impact as documented and addressed in the applications. The following are among the evaluation factors considered, as applicable.

Evaluation Factors

Need

- ✓ What is the severity and extent of the problem?
- ✓ Is there recent documentation of the problem?
- ✓ Does the project address the identified problem?
- ✓ Is the project consistent with program priorities?
- ✓ Is there a need for timely action?

Feasibility

- ✓ Is the application complete and consistent with program guidelines?
- ✓ What past efforts have been taken to solve the problem?
- ✓ Will the project resolve the problem or are additional improvements needed?
- ✓ Were alternatives considered and is the most appropriate/cost-effective solution proposed?
- ✓ Are cost estimates current and all necessary costs included?
- ✓ Are costs reasonable for the scope of work proposed?
- ✓ Are costs reasonable given the number of customers/beneficiaries/jobs impacted?
- ✓ For phased projects, what is the total level of local effort or contribution and the proposed timing for each phase?
- ✓ Is there a firm commitment for all necessary funding at the time of application?
- ✓ Is the project ready to proceed to construction and can it be completed within the grant period?
- ✓ Can the applicant reasonably acquire all necessary real property, permits and easements in a timely manner?
- ✓ Does the applicant have the technical, operational and financial capacity to sustain improvements?

Impact

- ✓ What are the quantitative and qualitative benefits?
- ✓ Will the project result in EPA or DES compliance?
- ✓ Are there appropriate commitments to achieve the level of benefit proposed?
- ✓ Will benefits be achieved in the timeframe provided?
- ✓ Will the project have a system-wide impact?
- ✓ Will the project have local or regional impacts?
- ✓ Are benefits long-term or short-term?
- ✓ Does the project build capacity to support economic activity?
- ✓ Is there potential to create economic capacity?
- ✓ Will the project enhance long-term viability or provide a regional solution?

Qualified projects will be submitted to the Board for consideration along with priority recommendations for funding. The Board, in its sole discretion, will determine the appropriate program source of funding for each qualified project selected. The Board may give additional consideration to qualified projects that will ensure a more equitable geographical distribution of funds or to applicants that did not receive a

SCIIP grant or have not previously received an RIA grant. The Board reserves the right to limit the number of grants that benefit one entity or service area if funding is limited. All funding decisions are made by the Board. The Board will be provided information on all applications received and may approve, modify or decline funding on any or all applications.

RIA reserves the right to negotiate or require changes in activities or requested amounts. For some water and sewer projects, a planning study, rate structure analysis or rate adjustment may be required or recommended as a condition of assistance in order to ensure appropriate levels of funding for operations and maintenance.

All applicants will be notified of funding decisions. Applications that are not approved for funding may not be carried forward for consideration beyond the current fiscal year. However, applicants may submit an application for the unfunded project in the next funding round. Any applicant who does not wish to resubmit its application may appeal the Board's funding decision. The appeal must be submitted in writing to the Executive Director within 15 calendar days of the date of the RIA funding decision letter and must be signed by the chief executive official of the applicant. The written appeal must detail the basis for re-consideration using the evaluation criteria stated herein.

The Board will generally review applications at its regularly scheduled meetings in accordance with the requirements of each grant program category. However, specially called meetings may be held as needed to address emergency requests, regional planning applications or projects requiring immediate action to ensure job creation.

Viability Improvement Program

PURPOSE

This technical assistance and infrastructure improvement program involves direct provision of services as well as the possibility of grant funding. The goal of this pilot program is to assist smaller utilities in strengthening long-term viability. This will be accomplished through a series of proactive technical assistance efforts to: (1) assess a utility's managerial, financial, and technical/operational needs, including regional solutions; (2) develop a plan of action with specific recommendations for implementation; and (3) provide funding for the most critical capital improvements.

ELIGIBLE APPLICANTS

Eligible candidates for assistance will be local governments, special purpose and public service districts, as well as public works commissions that are experiencing viability challenges, as outlined below. Non-profit water and sewer companies are not eligible for this pilot program. The applicant must own and maintain the facilities being assessed and, potentially, improved.

Program candidates include:

- Public water and/or sewer utilities with a service population of 10,000 or less
- Public water and/or sewer utilities located in Tier III and IV counties regardless of service population

Eligible candidates must meet one of the criteria above AND reflect one or more of the following viability concerns:

- Two or more regulatory compliance issues within a five-year period
- Lack of certified financial statements or audits within the past three years
- Estimated age of the majority of the utility system is greater than 40 years
- Multiple socio-economic challenges which RIA will determine based on the most recently available census or American Community Survey data (e.g., population change/growth rate below the state average growth rate; Median Household Income below the state average; poverty rate above the state average; unemployment rate above the state average)

Requirements and application criteria for the viability improvement program are distinct from RIA grant programs (Basic Infrastructure, Economic Infrastructure and Regional Planning). An applicant may have an ongoing RIA grant and still be selected to participate in this program.

PROGRAM DESCRIPTION

This pilot program is designed to help selected utilities identify areas that need improvement and require specific actions to achieve greater long-term viability. The Viability Improvement Program includes three steps of assistance. Each step will require specific local commitments and actions and RIA will assess the participating utility's continuation in the program at the conclusion of each step. Due to these requirements, as well as funding limitations, not all utilities selected for Step 1 will complete the remaining steps in the program. Utilities will generally not be eligible to apply for a Basic Infrastructure Grant while participating in the Viability Improvement Program. For those utilities that complete all three steps of assistance, the timeframe for implementation is estimated to cover a period of approximately three years.

The three steps, which are expected to occur sequentially, are:

- Step 1 - Rapid Assessment and Recommendations
- Step 2 - Planning Studies and Action Plans
- Step 3 - Implementation of Prioritized Capital Improvements

Each step is designed to provide assessment and recommendations for next steps as described below.

Step 1 - Rapid Assessment and Recommendations

Once a utility is selected for assistance under the Viability Improvement Program, RIA will assign an engineering consultant (procured by RIA) along with a team of industry experts and professionals to conduct an overall assessment of the system(s) which may cover the following areas:

- Management, Staffing, and Training
- Condition Assessment and Inventory
- Operations Assessment
- Compliance Assessment
- Financial Condition and Rate Evaluation
- Assessment of Regional Solutions
- Board Oversight

The utility will be required to provide all requested system information, including financial and other appropriate records necessary to do a comprehensive assessment, in advance of the assignment of the rapid assessment team. Such information must be submitted within 45 days of RIA's selection of the utility to participate in the program. The assessment team will review all available information prior to conducting an on-site review and should have full access to staff as needed, including contract operators, with reasonable consideration given to workload and schedule coordination.

The rapid assessment team will conduct its assessment and recommend prioritized actions with an established timeline for the utility to undertake to address long-term viability. The rapid assessment team will develop a report with recommendations and present the report to the utility.

It is expected that the utility will commit to carry out actions identified in the report and begin to implement recommendations, providing quarterly reports of progress to RIA. Measurable results will be required.

Step 2 - Planning Studies and Action Plans

RIA will select utilities to continue to Step 2 after completing Step 1. This will include consideration of the utility's level of need; willingness to make specific commitments toward implementation of recommended actions identified in Step 1; and demonstrated progress in achieving results following Step 1.

For utilities selected to move to Step 2, RIA expects to engage a consultant to conduct the most critical planning studies based upon needs identified and recommendations made by the rapid assessment team. This could involve one or more in-depth studies of areas identified as critical to long-term success and/or facilitation of regional solutions.

It is expected that the utility will commit to the resulting planning recommendations and will carry out actions identified in the resulting plans. The utility will provide quarterly reports of progress to RIA. Measurable results will be required.

Step 3 – Implementation of Prioritized Capital Improvements

Upon successful completion of the first two steps and evidence of satisfactory progress on implementing resulting recommendations, utilities may be selected to receive grant funding up to \$2,000,000 to support the most critical capital improvements based on study recommendations. RIA expects that this grant funding would occur without a competitive funding round. Selection for progression to Step 3 of the program will be based on selected need factors along with demonstrated actions and commitments from Step 2.

PRIORITIES

Consideration will be given to applicants based on a comparative analysis in the following relative order:

1. Very small systems with service populations of 3,300 or less with multiple, frequent, and/or significant regulatory violations or financial concerns

2. Small systems under 5,000 in service population with multiple, frequent and/or significant regulatory violations or financial concerns
3. Other eligible utilities with at least one viability concern

AVAILABLE FUNDING

Approximately \$4 million will be allocated to this program in FY 2027. However, the Board may allocate more or less than the total funding depending on demand and fundability of applicants for the program.

LOCAL COMMITMENTS

Local commitments will be required for each step. Such commitments may be financial and/or non-financial in nature. The minimum local commitments will depend on each utility's unique needs and capabilities. They may include investment of time (e.g., staff resources, board/council member participation in training or meetings), money (e.g., financial contributions to necessary plans or improvements or hiring additional staff) or other resources (e.g., materials or equipment). Participants may also be asked for policy commitments such as rate changes or entry into formal partnerships.

Prior to beginning Step 1, participants must provide all required system information and financial data, including maps, within 45 days of being selected for participation in the program. Participation in Step 1 will also require a commitment of time to work with the rapid assessment team to identify system needs.

Step 2 will require similar commitments to compile requested system information and to work in cooperation and in a timely manner with the planning consultant in order to conduct more in-depth system studies.

Utilities that make it to Step 3 – Implementation of Prioritized Capital Improvements may be expected to cost-share in construction project activities including funding non-construction and other ineligible costs.

APPLICATION SUBMISSION AND SELECTION

RIA staff are available to provide technical assistance to help potential applicants determine eligibility or discuss how to apply for consideration. Please visit ria.sc.gov/contact to get in touch.

The chief administrative official of the utility must sign and submit a complete application to be considered for the program. In addition, a resolution from the Board/Council must be submitted along with the application indicating agreement to provide any requested information available, to cooperate with the rapid assessment team in providing time and resources, and an understanding that additional local actions and commitments will be required at each step in the program.

Applications under this Viability Improvement Program will be considered in three competitive rounds. To be considered for a given round, applications must be received by 5:00 p.m. on the due date.

The application for the Viability Improvement Program is separate from the application for RIA grant programs. It may be downloaded from the website (www.ria.sc.gov) and is available upon request by contacting RIA at 803-737-0390 or info@ria.sc.gov.

Application Due Dates

July 1, 2026

September 14, 2026

March 22, 2027

Submit application form and commitment letter(s) to:

SC Rural Infrastructure Authority
1201 Main Street, Suite 1600*
Columbia, SC 29201

**Use Suite 1740 for in-person deliveries*

-AND-

Email PDF files to:

info@ria.sc.gov

Candidates for the program will be considered based on a comparative analysis of the severity of need, feasibility, and expected long term impacts as well as the extent of local commitment. RIA may request additional information or documentation relevant to program goals and priorities. As part of the due diligence review, RIA may seek the expertise of other appropriate state or federal agencies (DES, Commerce, EPA, Rural Development, technical assistance providers, etc.) to determine the appropriateness of the assistance or compliance with federal or state requirements.

All selection decisions are made by the Board. Complete applications and recommendations for selection will be provided to the Board for consideration. The Board may give additional consideration to qualified applicants that will ensure a more equitable geographical distribution of assistance.

Applications submitted but not selected for assistance under the Viability Improvement Program may be considered in future rounds and will be recommended for other forms of technical assistance.