

# Drinking Water State Revolving Fund Financing Drinking Water Infrastructure Projects

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## Drinking Water State Revolving Fund

- Provides long-term low interest loans to Community and Non-Profit Non-Community PWS for important drinking water infrastructure projects that improve public health, regulatory compliance and sustainability (capital projects)
- Competitive loan program projects are ranked according to a point-based Priority Ranking System
- No limit on loan amount
- Repayment terms up to 20 years
- Interest Rates half of market rate
- Funds can be used for planning, design and/or construction
- Certain projects may be eligible for federal or state grant contributions
- Can co-fund projects with other programs



### Consolidation and State Grant Funding

- 2015 Public Water System Improvement Program (PWSIP)
   CGS Section 22a-483f
- Provides state grant funding as part of a DWSRF loan to not-for-profit PWS for regional interconnection/PWS consolidation projects and associated infrastructure improvements that are necessary to facilitate the interconnection(s)
- Small Systems (10,000 or less) up to 50% subsidy
- Large Systems (>10,000) up to 30% subsidy
- Must have Asset and Fiscal Management Plans to qualify
- The \$20 million currently authorized has been allocated to projects in Southeastern CT
- DPH looking for other interconnection/consolidation projects that are in need of funding



#### **Non-Construction Projects < \$100K**

- Streamlined DWSRF requirements for the purchase and installation of drinking water related equipment
- Cannot involve construction of new facilities, building additions/alterations, site work/heavy equipment operators
- Prevailing wage rates not required for workers
- "3 quote" procurement method for contractor(s)
- 2 Programs
  - Emergency Power Generator Program
  - Small Loan Program
- Loan term based on loan amount

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$0 - $10,000 3 years
$10,000 - $25,000 5 years
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\$25,000 - \$100,000 10 years



### **Emergency Power Generator Program**

- Since 2011, provides subsidized loans to small PWS for installation of generator systems for back-up power
- Up to 45% federal subsidy
- Over 50 loans to date







### **Small Loan Program**

- New for 2018
- For non-construction projects costing <\$100K</li>
- Typically used to for the purchase and installation or replacement of water system equipment (treatment, pumps, etc.)
- Up to 25% federal subsidy







### **Small System Projects**

- 15% of the available DWSRF funds are reserved each year for eligible small PWS that serve <10,000 persons</li>
- Small systems must have:
  - an Asset Management Plan or agree to prepare and implement one as part of their project
  - a Fiscal Management Plan or agree to prepare one in the future
  - Demonstrate technical, financial and managerial capacity to operate and maintain a public water system



#### For more information:

DWSRF website: <a href="https://www.ct.gov/dph/dwsrf">www.ct.gov/dph/dwsrf</a>

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