

CLEAN WATER STATE REVOLVING FUND (CWSRF)
DRINKING WATER STATE REVOLVING FUND (DWSRF)

2018 DRAFT INTENDED USE PLANS & PROJECT PRIORITY LISTS

APRIL 5, 2018

FEDERAL CROSSCUTTERS

No Changes

SRF PROGRAMMATIC CHANGES

- 💧 Repayment Start Date
- 💧 Guidance Documents
 - 💧 <http://dec.vermont.gov/facilities-engineering/water-financing/srf/guidance-docs>
- 💧 EJCDC as of 7/1/2018
- 💧 Review of ESAs
- 💧 Planning Advance legislation
- 💧 SHPO review
- 💧 Readiness to proceed (RTP)

Public Comment Period Closes	4/20/2018
Funds Availability Emails Sent	8/1/2018
PER Submittal	12/31/2018
Positive Bond Vote	4/15/2019
Project Completed	9/30/2020

DWSRF PROGRAM SUMMARY

DWSRF FUNDING BREAKDOWN

EPA Grant	\$8,241,000
Set-Asides	(\$3,213,659)
State Match	\$1,684,200
Revolving Funds	\$6,964,755*
Total Proposed Project Funds	\$32,833,177

*total projected through 6/30/2019

SET-ASIDE FUND DISTRIBUTION

DWSRF Set-asides for FFY18		
Set-aside (Maximum %)	Funds Available	Grant Request
Administration	\$400,000	\$400,000
Technical Assistance (2%)	\$164,820	\$164,820
Program Management (10%)	\$824,100	\$824,100
Program Management Banked Authority		\$608,732
Local Assistance (15%)	\$1,236,150	\$1,236,007
Totals	\$2,625,070	\$3,233,659

SET-ASIDES: TECHNICAL ASSISTANCE

💧 Operator Training

- 💧 \$140,000
- 💧 Contract to cover through April 2019

💧 Technical Staff Training

- 💧 \$24,820
- 💧 Training of DWGWPD technical staff

SET-ASIDES: LOCAL ASSISTANCE

Activity	Amount
Water Loss Control	\$50,000
VDH MOU	\$20,000
Drinking Water Education	\$10,000
Stand-by Power Evaluation	\$50,000
Valve Condition and Location	\$30,000
Lead and Copper and Emerging Contaminants	\$50,000
Capacity Program Asset Management Initiatives	\$50,000
TNC General Permitting	\$20,000
RTCR Level 2	\$35,000
TNC Technical Assistance	\$10,000
Capacity Program Positions	\$232,862
Geology, Water Resources, and Regional Offices Positions	\$678,145
Total	\$1,236,007

FFY2018 DWSRF DRAFT PROJECT PRIORITY LIST

- 💧 \$32,833,177 available for construction projects
- 💧 Draft priority list breakdown
 - 💧 Fundable range = 21 projects
 - 💧 Comprehensive list = 52 projects
- 💧 Total need is roughly \$69,034,000
- 💧 **Additional projects will be added during comment period**

DWSRF PROGRAM CHANGES

- 💧 Priority Ranking Criteria— addition of ready-to-proceed criteria
- 💧 Planning Loan Forgiveness (GD#22) changes
- 💧 Additional Subsidy Changes
 - 💧 Negative Interest v. Principal Forgiveness
 - 💧 Benefits
 - 💧 Past loans
 - 💧 Proposed subsidy cap of 30%
- 💧 Asset Management Plan loan forgiveness (GD#26) changes

FY2016 DWSRF IUP CHANGES

- 💧 Additional subsidy
- 💧 Addition of Hemlock Ridge
 - 💧 Project to address radium contamination
 - 💧 Approximately \$235,000 project cost
- 💧 Addition of Armstrong MHP
 - 💧 Project to address cost overruns that other funding agencies can't pick up
 - 💧 Approximately \$160,000 project cost
- 💧 Addition of Colonial Estates HOA
 - 💧 Project to address declining well yield
 - 💧 Approximately \$150,000 project cost

FY2017 DWSRF IUP CHANGES

- 💧 Addition of East Calais FD#1 to priority list
 - 💧 Project to address inadequate chlorination facilities
 - 💧 Approximately \$65,000 project cost

CWSRF PROGRAM SUMMARY

CWSRF FUNDING BREAKDOWN

EPA Grant	\$6,374,000
State Match	\$1,294,800
Repayments	\$11,365,151
Carry Forward	\$56,631,583
Total Proposed Project Funds	\$75,665,534

SFY2019/FFY2018 CWSRF DRAFT PROJECT PRIORITY LIST

- 💧 \$75.6M available for projects
- 💧 Draft priority list breakdown
 - 💧 Fundable list = 32 projects
 - 💧 Comprehensive list = 43 projects
- 💧 Total need is roughly \$78M
- 💧 **Additional projects will be added during public comment period**

CWSRF PRIORITY LIST REVISIONS

- 💧 Soil based systems do not require growth review
- 💧 New Pollution Control Grants system
- 💧 New points system and 10 criteria overview

ELIGIBILITY	TECHNICAL	AFFORDABILITY	OTHER
ELIGIBILITY 1	PUBLIC HEALTH 25	> 2% MHI USER RATE, 15	PROJECT READINESS 12
	WATER QUALITY 20	LOW MHI, 10	FISCAL SUSTAINABILITY 7
	REFURBISHMENT 5	UNEMPLOYMENT, 10	
	ENVIRONMENTAL RESILIENCY & SUSTAINABILITY 5	POPULATION LOSS, 5	
	DESIGNATED CENTER & REGIONAL BENEFITS 5	OTHER HARDSHIP, 5	
TOTAL = 1	TOTAL = 60	MAX TOTAL = 20	TOTAL = 19

CWSRF PRIORITY LIST REVISIONS: PC GRANT IMPLICATIONS

PC Grant Formula

Total technical points (60 max) – 25

+ affordability points (20 max) – 10

Total grant eligible points = Percent Grant

- 💧 Grant eligibility points → if over 10 and \$ is available
- 💧 Grants capped at 35%
- 💧 Must be appropriated by Legislature

OLD PC GRANT REQUESTS END WITH THIS PRIORITY LIST

CWSRF PRIORITY LIST REVISIONS

- 💧 Affordability – updated requirements of the Chapter 2 Rule revisions
 - 💧 MHI, User Costs, Unemployment, and Population Trends
 - 💧 Other demonstrated hardship– case by case review at program’s discretion
 - 💧 Examples: natural disaster or plant closing or other factor not considered in the four affordability criteria

CWSRF PRIORITY LIST REVISIONS

💧 Emergency Projects

- 💧 Only elevates the project to the top of the priority list; doesn't bypass planning, environmental, or crosscutter requirements.
- 💧 Caused by something outside of human control (i.e. weather or natural disaster, etc.)
- 💧 Deferred maintenance does not equal an emergency

CWSRF PROPOSED ADDITIONAL SUBSIDY: PLANNING

- 💧 50% forgiveness on all preliminary engineering and final design
- 💧 Will not be based on affordability criteria
- 💧 First-come first-served
- 💧 Maximum forgiveness up to \$100k per project
- 💧 Cap of \$250k per borrower, per year, total for planning

CWSRF PROPOSED ADD. SUBSIDY: GREEN SW SPONSORSHIP PILOT

- 💧 A municipality will identify a traditional treatment works project and a green SW infrastructure project at approximately a 10:1 ratio
- 💧 Upon completion of both projects, the Green SW project is forgiven
- 💧 This is applied upon execution of a construction loan. This may include planning and construction costs.
- 💧 The maximum per borrower is \$300k and is independent of planning subsidy
- 💧 Sponsored project must be completed within a year of the treatment works project

CWSRF PROPOSED ADD. SUBSIDY: GREEN SW SPONSORSHIP PILOT

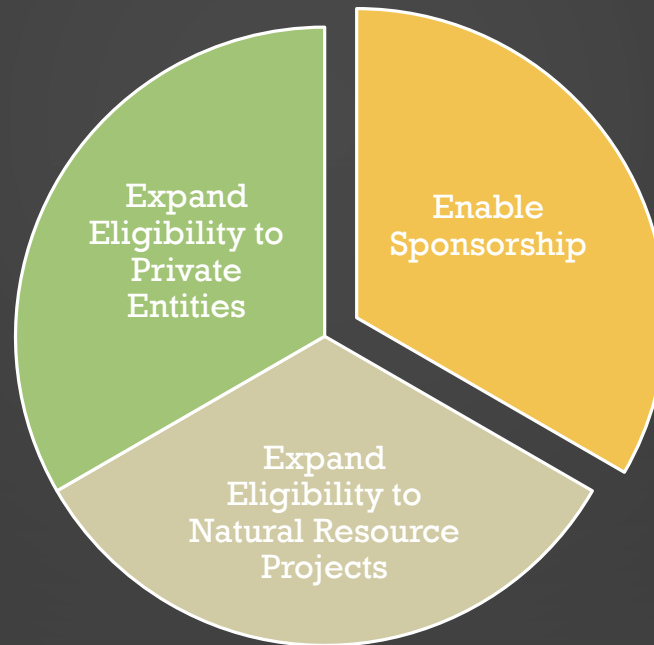
- 💧 Green vs. Grey Definition
- 💧 Examples of eligible green SW project types
 - 💧 Downspout disconnection, rainwater harvesting/barrels, stormwater tree pit, bioswales, underground storage
- 💧 Bonding

CWSRF PROGRAM CHANGES: TREATMENT WORKS

- 💧 WRRDA allows states to define treatment works vs. non treatment works projects
- 💧 VT defined this as traditional pollution control projects and grey infrastructure
- 💧 Non treatment works projects exempt from several crosscutters including:
 - 💧 AIS
 - 💧 Davis Bacon
- 💧 Soil based, decentralized systems, green SW, and natural resource projects exempted

CWSRF PROGRAM CHANGES: PENDING LEGISLATION

💧 H.777 proposes the following:



QUESTIONS AND COMMENTS