

Water Infrastructure

FINANCING PROGRAMS

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

SRF Guidance Document Number 4 Readiness to Proceed Procedures

A project

For the most current bypass criteria and dates, see the Intended Use Plans at <https://dec.vermont.gov/water-investment/water-financing/srf/intended-use-plans>, DWSRF IUP section 10.1.2 and CWSRF IUP section 11.2 (or search for "bypass" in each) -11/22/2024

Systems on any priority list may be bypassed and the funds used for other projects in priority order.

Reasons for bypassing may include the following:

A PER or equivalent must have been submitted prior to the priority list application to be ranked for construction (step 3) funding.

Lacking readiness to proceed:

1. Generally, a Preliminary Engineering Report will be required prior to December 31st of the Intended Use Plan's funding cycle
2. Generally, projects will be bypassed if there is not successful voter authorization to incur debt by April 30th of the IUP's funding cycle.
3. Failure to meet other dates outlined in the Funds Availability email
4. Systems either on or off the priority list that experience an emergency as outlined in Guidance Document #16 will be assigned top priority. The emergency addition(s) to the priority list may result in the lower priority projects identified as an anticipated loan recipient being bypassed.

Additional Pollution Control Grant (PC Grant) specific procedures:

1. Each year the legislature appropriates a certain amount of grant funding for clean water projects.
2. The legislature may specify particular projects to receive priority funding. These projects will receive priority when determining the funding range for PC grants.
3. Generally, a project will be bypassed if a grant application is not submitted prior to December 31st of the Project Priority List's funding cycle.

Additional Drinking Water SRF specific procedures:

Project funding will not exceed maximum allowed amounts outlined below for the year based on State and Federal limitations, which may result in project bypass:

1. No more than 20% of available funds can go to privately-owned water systems, unless there is a surplus of funds
2. A minimum of 15% of available funds must go to water systems serving fewer than 10,000 persons to the extent the list includes such systems
3. Additional Subsidy: in the event the IUP grant year allocation for subsidy is exceeded, the project may be funded on a following year's IUP/grant, as outlined in the IUP

Bypass determinations will be made by the CWSRF or DWSRF Project Lead in consultation with Program Managers.

An email will be used to notify systems of a bypass. The CWSRF and DWSRF Project Lead will archive the

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bypass notification email in the respective applicant's folder in the data management system.

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