

The Vermont Clean Water
State Revolving Fund
Draft
Intended Use Plan
for Federal Fiscal Year 2026

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Contents

1. Executive Summary.....	5
1. Infrastructure Investment and Jobs Act.....	5
1.2. Other State Grants	6
1.3. Other Federal Grants	6
1.4. Notice of Nondiscrimination	6
1.5. Language Access Services.....	7
2. Clean Water State Revolving Loan Fund Program Mission and Goals	7
2.1. Program Mission	7
2.2. Long Term Goals	7
2.3. Short Term Goals	8
3. State Grants under this Intended Use Plan.....	8
3.1. Pollution Control Grants.....	8
3.2. State ARPA Combined Sewer Overflow (CSO) Elimination and Abatement Program Grant Eligibility.....	9
3.3. State ARPA Village Wastewater and Drinking Water Grant Eligibility	9
4. CWSRF Administration	10
4.1. Transferred Funds between Clean Water and Drinking Water SRFs	11
5. Clean Water SRF Capitalization Grants Federal Fiscal Year 2026.....	11
5.1. Capitalization Grants	11
5.2. Sources and Uses	12
5.2.1 Program and Non-Program Fees Sources and Uses	13
Sources	13
5.3. EPA Federal Fiscal Year Payment Schedule.....	14
5.4. EPA Estimated Disbursement Schedule.....	15
6. Project Funding and Use of Technical Assistance Funds.....	15
6.1. CWSRF General	16
6.2. CWSRF General Supplemental	16

6.3. CWSRF Emerging Contaminants	16
6.4. Use of Technical Assistance Funds (2%)	17
6.5. Future Program Impact.....	17
7. Criteria and Method for Distribution of Funds	17
8. Additional Subsidy	18
8.1. Prior Year Subsidy.....	18
8.2. 2026 Subsidy Amounts.....	18
8.2.1. General Grant.....	18
8.2.2. General Supplemental Grant	19
8.2.3. Emerging Contaminants Grant.....	19
8.2.4. Summary Table: Available Subsidy by FFY 2026 Grant.....	19
8.3. Subsidy Categories	19
8.3.1. Summary Table: Available Subsidy by Initiative Category (FFY 2026 Grant and Prior Year Subsidy Combined).	20
8.3.2. Planning Subsidy	20
8.3.3. Floodplain Restoration Subsidy.....	21
8.3.4. Construction Subsidy	22
8.4. Requirements to Secure Additional Subsidy	23
9. Affordability Criteria	24
9.1. Affordability Criteria	24
10. Non-Point Source Funding.....	25
10.1. Natural Resources Categorical Eligibility.....	26
10.2. Water Infrastructure Sponsorship Program (WISPr)	27
10.2.1. How to Qualify for WISPr Funding.....	28
10.3. Interim Financing for Natural Resources Projects.....	28
11. Program Updates and Guidance	29
11.1. Annual Cap on Loans	29
11.1.1. Planning Loans Evaluation and Funding Cap.....	29
11.1.2. Planning Loan Repayment.....	29
11.2. Priority List Bypass Procedure	29

11.3. Guidance on Planning Versus Construction Activities	30
11.4. ANR Online Funding Application	31
11.5. State Environmental Review Procedure Update	31
11.6. CW SRF Fund Transfer to Onsite Loan Fund	32
11.7. US Environmental Protection Agency (EPA) Performance Evaluation Review.....	32
12. Equivalency and Federal Reporting	35
13. Green Project Reserve	35
14. Public Participation.....	36
15. Responsiveness Summary	37
16. Revisions to the Final Intended Use Plan.....	37
17. Tables: Municipalities and NPDES Regulated Facilities	37
18. Project Priority Lists	37

1. Executive Summary

The Vermont Agency of Natural Resources sends to the U.S. Environmental Protection Agency (EPA), as part of its annual application for Clean Water Capitalization Grants under Title VI of the Water Quality Act of 1987, a Clean Water Intended Use Plan to meet the requirements of Section 606(c) of the Clean Water Act and the Clean Water Capitalization Grant Agreements. This Intended Use Plan covers the Federal Fiscal year 2026 General/Base Grant, and the General Supplemental and Emerging Contaminants Grants created by the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law of 2021. The Intended Use Plan serves as the planning document to explain how each fiscal year's appropriation for the Vermont Clean Water State Revolving Fund (CWSRF) will be used.

The Intended Use Plan includes the State Fiscal Year 2027 Pollution Control Project Priority List. Projects seeking construction funding must be shown on the Project Priority List and rank high enough to receive funds. Project priority points are awarded in accordance with the Department's Municipal Pollution Control Priority System. All construction projects on the Project Priority List that are ready to proceed in a particular year will be awarded grant and/or loan funds depending on the amount of funds allocated to the program by the Vermont legislature, the level of federal funding awarded through the federal capitalization grants for the Clean Water Revolving Loan Fund, any carry-forward funds from the prior fiscal year, and repayments and fund income received during the fiscal year. Projects seeking funding for planning and design do not need to be on the Project Priority List. Funding for planning and design projects is set at an amount necessary to bring sufficient projects to the implementation phase and to use all the anticipated grant and loan funds each year.

The appearance of projects on the Project Priority List, above the funding line, indicates eligibility to apply for funding assuming all other requirements are met. The dollar amounts may change from those listed as project cost changes affect the pro-rating of available grant and loan amounts.

1. Infrastructure Investment and Jobs Act

The Infrastructure Investment and Jobs Act, passed November 15, 2021, provided two additional SRF grants: the General Supplemental and the Emerging Contaminants Grants, to augment the existing General Grant, also known as the Base Grant. This is the final year of the Infrastructure Investment and Jobs Act grants. The Infrastructure Investment and Jobs Act is also known as the Bipartisan Infrastructure Law.

The Infrastructure Investment and Jobs Act expanded domestic sourcing requirements with the inclusion of the Build America, Buy America Act (BABA)

requirements. For all projects receiving funding based on federal awards made to the State on or after May 14, 2022, all steel, iron, manufactured products, non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States.

1.2. Other State Grants

The Project Priority List under the Municipal Pollution Control Priority System Rule is also used to rank projects for the Vermont Pollution Control Grants. Pollution Control Grants are covered under Section 3.1.

1.3. Other Federal Grants

The application for the federal fiscal year 2026 and 2027 Sewer Overflow and Stormwater Reuse Municipal Grant Program (OSG Grant) will not coincide with this IUP. This is a limited EPA allocation and if awarded this year will go towards planning design or construction of combined sewer overflow (CSO) abatement projects in rural and financially distressed communities. The project selection process may use the Project Priority List score in addition to grant specific review criteria; however, selection may take place outside of this Intended Use Plan.

1.4. Notice of Nondiscrimination

The Vermont Agency of Natural Resources (ANR) operates its programs, services, and activities without discriminating on the basis of race, religion, creed, color, national origin (including limited English proficiency), ancestry, place of birth, disability, age, marital status, sex, sexual orientation, gender identity, or breastfeeding (mother and child). We will not tolerate discrimination, intimidation, threats, coercion, or retaliation against any individual or group because they have exercised their rights protected by federal or state law. To file a discrimination complaint, for questions, free language services, or requests for reasonable accommodation, please contact ANR's Nondiscrimination Coordinator at ANR.CivilRights@vermont.gov or visit ANR's online Notice of Nondiscrimination at <https://anr.vermont.gov/special-topics/equity-and-accessibility/notice-nondiscrimination>.



1.5. Language Access Services

Questions or Complaints/FREE LANGUAGE SERVICES | SERVICES
LINGUISTIQUES GRATUITS | भाषासम्बन्धी निःशुल्क सेवाहरू | SERVICIOS
GRATUITOS DE IDIOMAS | 免費語言服務 | BESPLATNE JEZIČKE USLUGE |
БЕСПЛАТНЫЕ УСЛУГИ ПЕРЕВОДА | DỊCH VỤ NGÔN NGỮ MIỄN PHÍ | 無料通
訳サービス | ነጻ የቋንቋ አገልግሎቶች | HUDUMA ZA MSAADA WA LUGHA BILA
MALIPO | BESPLATNE JEZIČKE USLUGE | အခမဲ့ ဘာသာစကား ဝန်ဆောင်မှုများ |
ADEEGYO LUUQADA AH OO BILAASH AH | خدمات لغة مجانية:
anr.civilrights@vermont.gov or 802-636-7827.”

If you speak a language not listed or require additional help, we offer free language assistance services. Please reach out to ANR at 802-636-7827 and we can support getting you access to the State of Vermont's free language services. The State of Vermont contracts with several Translation Services organizations, and you can visit this page for more information. [Language Access Link](#)

2. Clean Water State Revolving Loan Fund Program Mission and Goals

2.1. Program Mission

To ensure the fund operates in perpetuity and provides continuing financial assistance to Vermont municipalities and eligible private entities for clean water project need, including traditional, green, and natural infrastructure, and to effectively align the Clean Water State Revolving Loan Fund (CWSRF) with other state and federal funding sources to support clean water projects.

2.2. Long Term Goals

1. Implement the Infrastructure Investment and Jobs Act's goal of increasing investment in disadvantaged communities by ensuring subsidy is directed to communities meeting the SRF Program's Affordability Criteria.
2. To provide financial assistance to Vermont municipalities to fund the completion of all known enforceable requirements of the Clean Water Act.
3. Promote initiatives that prioritize incentives to projects that will ensure equitable access to clean water benefits.
4. Promote sustainable infrastructure by encouraging the development and implementation of fiscal sustainability plans, asset management programs and other strategies that support municipal affordability.
5. Utilization of the additional subsidy provisions and other allowable financial tools to support Vermont's clean water goals by incentivizing high priority projects while continually actively reviewing long term financial implications to ensure fund sustainability.

6. Promote environmental sustainability, adaptation and resiliency in program incentives and priorities.
7. Continue investment in traditional stormwater and wastewater infrastructure to increase resilience and reliability, to meet increased demand for collection, treatment, and disposal, and to meet environmental and water quality requirements and goals.
8. Utilize available program eligibilities to invest in natural resource projects to cost-effectively address clean water challenges.
9. Periodically review and create any needed guidance documents or policies to ensure programmatic compliance and assistance to borrowers.

2.3. Short Term Goals

1. Provide incentives that promote municipal affordability and provide additional subsidy opportunities for communities meeting the program's affordability criteria.
2. Create funding opportunities for economically disadvantaged manufactured home communities with water infrastructure needs.
3. Provide funding opportunities to support Stormwater General Permit 3-9050, also known as the "3-Acre Stormwater Permit".
4. Provide funding mechanisms that support investment in natural resource projects such as WISPr, Natural Infrastructure Bridge Loans, or loan forgiveness for Agency priority water quality projects.
5. Provide low interest and additionally subsidized loans for planning activities to support project development that leads to construction projects.
6. Implement the SRF Program's Corrective Action Plan to improve program performance as measured by financial indicators.

3. State Grants under this Intended Use Plan

3.1. Pollution Control Grants

State Pollution Control (PC) grants may be available for certain projects in addition to CWSRF loans. PC Grants amounts are established through a set of public health, environmental, and affordability-based criteria that are used to determine state grant funding up to a maximum of 35% of eligible cost. Attached to this IUP is a Priority List specific to PC Grant eligibility.

The funding source for these grants is appropriated at the discretion of the legislature and cannot be guaranteed by the program. Due to limited funding most projects will not receive a PC Grant. If sufficient state capital funds cannot be secured to meet full grant eligibility, other funds may be provided to offset the shortfall in grant dollars, such as a CWSRF loan. The Pollution Control Grant budget for SFY27 is \$4,000,000.

Projects on the Priority List will need to complete the funding application process by 5/15/2027 in order to be considered for a PC Grant award. Funding decisions will

be made at that time. If the highest scoring project(s) complete(s) the funding application process prior to 5/15/2027, DEC may make awards decisions prior to 5/15/2027.

Projects may receive partial PC Grant funding in a given year based on funds availability.

Projects that receive an SRF loan or partial PC Grant in a given year may submit a Priority List application the following year to be considered for additional PC Grant funds. These projects are considered continuing projects and will be ranked against other continuing projects to determine if they may receive additional funds. Receipt of partial PC Grant funding in a given year does not guarantee receipt of PC Grant funds in subsequent years.

Projects may continue to submit priority list applications until they have received the full amount of their PC Grant eligibility.

No portion (\$0) of the State Fiscal Year 2027 PC Grant is proposed for the Engineering Planning Advance Program. \$200,000 is reserved for the Regional Planning Advance Program. The CWSRF Program will reallocate the REPA funds to PC Grant-eligible projects after February 1, 2027, depending on the dollar amount of REPA-eligible projects.

3.2. State ARPA Combined Sewer Overflow (CSO) Elimination and Abatement Program Grant Eligibility

Combined Sewer Overflows (CSOs) are a public health risk and environmental concern. Eliminating discharges will improve the water quality of streams and lakes. Governor Scott worked with the Vermont General Assembly to appropriate an initial \$10 Million to support implementation and staffing of these projects in State Fiscal Year 2022. The legislature appropriated an additional \$20 Million in State Fiscal Year 2023. There have been no additional appropriations. The grant allocations from the 2023 Intended Use Plan remain unchanged.

3.3. State ARPA Village Wastewater and Drinking Water Grant Eligibility

Villages form the heart of Vermont's rural communities, yet more than 200 villages lack community wastewater disposal systems, hampering revitalization. More than 100 Vermont villages do not have a public municipal drinking water system. While many communities have explored municipal water and wastewater solutions in the past, most could not proceed with the projects because users could not afford the new rates needed to cover the cost of the project.

However, \$36.2 million in ARPA funding was appropriated to help municipalities develop new public drinking water systems and community wastewater disposal systems where this critical infrastructure is lacking. This grant funding is intended to help bridge the affordability gap, protect public health, increase affordable housing,

support economic development, and incentivize compact growth in Vermont's designated villages and neighborhoods.

The original funding goal was to support up to ten decentralized community wastewater solutions and/or public municipal water systems. Wastewater projects are eligible for funding per limitations set by SRF Guidance Document #38, dated March 28, 2024.

All funds have been awarded to qualifying Villages, and Village ARPA grants have been executed. Some villages have chosen to voluntarily rescind grants, allowing for DEC to reallocate those funds to the readiest projects, with the greatest need, and with the greatest potential to accommodate new housing. DEC reserves the right to rescind funding from grantees that are not making progress and where the funding may be at risk of recission from the Federal Treasury Department.

Municipalities should note that the reallocation of any Village ARPA grant dollars are subject to approval by the Vermont Agency of Administration pursuant to the Vermont's State Fiscal Recovery Process and Guidance. The intent of the Water Investment Division is to confirm award values with the Agency of Administration.

4. CWSRF Administration

Municipal CWSRF construction loans are currently issued at a 0% interest rate with an annual administrative fee of 2%. Private entity CWSRF construction loans are currently issued at 0% interest rate with an administrative fee of 2.75%, except when specific initiatives have an alternative rate as outlined in this IUP including certain manufactured housing communities as described in Section 9.1 which shall have an administrative fee of 1.5%. Additionally, Brownfield Economic Revitalization Alliance (BERA) construction projects will be issued at a 0% interest rate with an administrative fee of 2.25%.

Administrative fee proceeds are deposited into a dedicated account separate from the CWSRF account, referred to as the administrative account. Fees are tracked as either program or non-program income to allow non-program income to be used for a broader array of Clean Water Act eligible activities than is allowed with program income. All fee income is accounted for in a separate fund outside the SRF fund.

These funds are primarily used for administrative support of the Clean Water SRF Program including staff salaries for financial, project development, and engineering staff. Additionally, they have been used to fund costs associated with underwriting of loans and software support. The program reserves the right to use these funds for any eligible use of the fees as fund needs develop over the year.

4.1. Transferred Funds between Clean Water and Drinking Water SRFs

The Safe Drinking Water Act Amendments of 1996 (Section 302) allow a state to transfer up to 33% of the Drinking Water State Revolving Fund (DWSRF) capitalization grant from the DWSRF to the CWSRF or an equivalent amount from the CWSRF to the DWSRF for each open grant. This transfer is at the Governor's discretion. The program reserves the right to reserve this amount for future need.

For this IUP, Vermont SRF intends to transfer approximately \$50,000,000 in funds from the DWSRF to the CWSRF due to sustained high demand for funds by CWSRF projects. The transfer will be in accordance with 65 FR 60940 and shall be less than 33% of the accumulated value of the current and prior DWSRF base capitalization grants (i.e. General and General Supplemental Grants). This transfer is intended to allow relatively proportional funding of projects on the priority list: the total available funds of the DWSRF and CWSRF were divided by total loan demand and the resulting percentage was applied to total project demand on each priority list.

Vermont will advance any transferred funds to the appropriate projects in accordance with this Intended Use Plan, and the Municipal Pollution Control Priority System.

5. Clean Water SRF Capitalization Grants Federal Fiscal Year 2026

5.1. Capitalization Grants

Vermont will receive three Federal Fiscal Year 2026 capitalization grants.

- The General Grant is \$3,507,000 after allocating \$35,000 for the federal 604b program (the 604b program directs 1% of CWSRF allocations to support water quality planning in the form of "604b Water Quality Management Planning Grants").
- The General Supplemental Grant is \$12,094,000 after allocating \$122,000 for 604b.
- The Emerging Contaminants 2026 Grant is \$1,072,000, including \$2,000 in reallocated funds from 2023 and \$27,000 in reallocated funds from 2024, and after allocating \$11,000 for 604b from the 2026 Grant. 604b does not apply to reallocated funds.

The required match for the Federal Fiscal Year grants is as follows:

- \$701,400 for the General Grant (20% of grant federal share).
- \$2,418,800 for the General Supplemental Grant (20% of grant federal share).
- \$0 for the Emerging Contaminants Grants (no match requirement).

The full match for the General and General Supplemental Grants will be available beginning July 2026. The source of match for the General Supplemental Grant is the 2023 VT State Legislature, Act 78, Section B. 1105 (b)(1). For the General Grant, the source of the match the 2026 VT State Legislature, Act 33, Section 10.

The Department is requesting pre-approval by EPA for fixed-cost contracts and sub-awards. This request is made pursuant to 2 CFR 200.333, where the EPA may allow pass-through entities to award subawards up to \$500,000 on a fixed amount or “lump sum” basis such that the subrecipient does not account for actual costs.

5.2. Sources and Uses

The Sources and Uses tables below assume the total needed match will be available. Sources of funds and uses are listed below.

Sources	General	General Supplemental	Emerging Contaminants, Incl. Reallotted Funds
FFY 26 CWSRF Capitalization Grant (after 604b),	\$3,507,000	\$12,094,000	\$1,072,000
State Match Needed FFY26 Grant	\$701,400	\$2,418,800	\$0
FFY 25 Cap Grant Payments (4/1/26-4/30/26)	\$3,023,500	\$0	\$0
FFY 25 Cap Grant Payments (7/1/26-6/30/27)	\$6,917,500	\$0	\$0
Repayments (anticipated 4/1/26-6/30/26)	\$3,191,600	Included in General	<u>N/A</u>
Repayments (anticipated 7/1/26-6/30/27)	\$9,908,375	Included in General	<u>N/A</u>
Investment Interest (anticipated 4/1/26-6/30/26)	\$1,200,000	Included in General	
Investment Interest (anticipated 7/1/26-6/30/27)	\$4,800,000	Included in General	<u>N/A</u>
Available Funds (Unobligated funds as of 3/31/2026)	\$65,644,484	Included in General	\$143,438

Transfer of Funds from DWSRF	\$50,000,000	\$0	\$0
Total	\$148,893,419	\$14,512,800	\$1,215,438

Uses	General	General Supplemental	Emerging Contaminants (Incl. 2023 Reallotment)
Loan Obligations 4/1/26-6/30/26	\$17,789,793	Included in General	\$0
Pending Applications	\$66,371,553	Included in General	\$0
Anticipated Commitments for 2026 IUP	\$86,662,325	\$14,029,040	\$1,173,718
Administrative (Max 4% or \$400K) 2026 Grant Only	\$400,000	\$483,760	\$41,720
Technical Assistance (Max 2%)	\$0	\$0	\$0
Total	\$153,433,878	\$14,512,800	\$1,215,438

The Sources and Uses tables identify the funding available for projects under this Intended Use Plan.

For the General, and General Supplemental Grants, uses exceed sources. For the Emerging Contaminants Grant, uses equal sources. Anticipated Commitments include those projects expected to go forward during the year. Due to a range of factors including the need to procure voter approval, some projects will be delayed, thus actual uses are likely to be less than anticipated based on current information.

5.2.1 Program and Non-Program Fees Sources and Uses

Sources

	Program Fees	Non-Program Fees
Existing Balance (3/31/26)	\$3,753,493	\$6,971,022
Anticipated Fees (7/1/26-6/30/27)	\$888,223	\$1,649,557
Total	\$4,641,716	\$8,620,579

Anticipated Uses (7/1/26-6/30/27)

Program Fees	\$2,270,060
Non-Program Fees	\$1,720,321

The Clean Water SRF Program uses program and non-program fees to support the administration of the program including staffing and loan underwriting expenses. Anticipated additional future uses of fees include offsetting reductions in Administrative income (4% of capitalization grants) with the sunseting of the Supplemental IIJA Grants and potential reductions to the base grants.

5.3. EPA Federal Fiscal Year Payment Schedule

The State matching funds will be deposited into the Clean Water SRF prior to the quarter when federal funds are requested. Within one year after the receipt of each quarterly grant payment, the CWSRF Program will make binding commitments in an amount equal to 120 percent of the General Grant, 120 percent of the General Supplemental Grant, and 100 percent of the Emerging Contaminant Grant quarterly payments. All funds shall be expended in a timely and expeditious manner.

The schedule for entering into binding commitments and timing of cash draws is contained in the grant application submitted to EPA. The Clean Water SRF program will continue to comply with the Operating Agreement for Implementing and Managing the State Revolving Fund Program between the State of Vermont and U.S. Environmental Protection Agency, Region I.

The amount used for administration of the fund will not exceed the statutory (4%) limit, per grant.

SRF General

Payment No.	Quarter	Date	Federal Amount	State Amount
1	2027-1	10/1/2026-12/31/2026	\$876,750	\$175,350
2	2027-2	1/1/2027-3/31/2027	\$876,750	\$175,350
3	2027-3	4/1/2027-6/30/2027	\$876,750	\$175,350
4	2027-4	7/1/2027-9/30/2027	\$876,750	\$175,350
Total			\$3,507,000	\$701,400

SRF General Supplemental

Payment No.	Quarter	Date	Federal Amount	State Amount
1	2027-1	10/1/2026-12/31/2026	\$3,023,500	\$604,700
2	2027-2	1/1/2027-3/31/2027	\$3,023,500	\$604,700
3	2027-3	4/1/2027-6/30/2027	\$3,023,500	\$604,700
4	2027-4	7/1/2027-9/30/2027	\$3,023,500	\$604,700
Total			\$12,094,000	\$2,418,800

SRF Emerging Contaminants

Payment No.	Quarter	Date	Federal Amount	State Amount
1	2027-1	10/1/2026-12/31/2026	\$268,000	\$0
2	2027-2	1/1/2027-3/31/2027	\$268,000	\$0
3	2027-3	4/1/2027-6/30/2027	\$268,000	\$0
4	2027-4	7/1/2027-9/30/2027	\$268,000	\$0
Total			\$1,072,000	\$0

5.4. EPA Estimated Disbursement Schedule

Disbursement Quarter/\$	CWSRF General	CWSRF General Supplemental	CWSRF Emerging Contaminants
1QFFY2027	\$876,750	\$3,023,500	\$134,000
2QFFY2027	\$876,750	\$3,023,500	\$134,000
3QFFY2027	\$876,750	\$3,023,500	\$134,000
4QFFY2027	\$876,750	\$3,023,500	\$134,000
Total	\$3,507,000	\$12,094,000	\$1,072,000

6. Project Funding and Use of Technical Assistance Funds

Projects Anticipated to Receive FFY 2026 CWSRF available Funds
(Award of FFY 2026 Funds are anticipated to be made during SFY 2027)

6.1. CWSRF General

Project /Activity	Total Project Cost	SRF State Match	Federal Share FFY 2026 Funds
See SFY 2027 Priority List (Attached)	\$3,507,000	\$673,344	\$3,366,720
Vermont Administrative Expense	\$400,000	\$28,056	\$140,280
Technical Assistance	\$0	\$0	\$0
Total	\$4,208,400	\$701,400	\$3,507,000

6.2. CWSRF General Supplemental

Project /Activity	Total Project Cost	SRF State Match	Federal Share FFY 2026 Funds
See SFY 2027 Priority List (Attached)	\$13,932,288	\$2,322,048	\$11,610,240
Vermont Administrative Expense	\$580,512	\$96,752	\$483,760
Technical Assistance	\$0	\$0	\$0
Total	\$14,512,800	\$2,418,800	\$12,094,000

6.3. CWSRF Emerging Contaminants

(2026 Grant, Including 2023 and 2024 Reallotted Funds)

Project /Activity	Total Project Cost	SRF State Match	Federal Share FFY 2027 Funds
See SFY 2027 Priority List (Attached)	\$1,029,120	NA	\$1,029,120
Vermont Administrative Expense	\$42,880	NA	\$42,880
Technical Assistance	\$0	NA	\$0
Total	\$1,072,000	NA	\$1,072,000

Detailed project information is included in the attached Municipal Pollution Control Projects Priority Lists for state fiscal year 2027. The state anticipates disbursement of its state match prior to federal disbursements.

6.4. Use of Technical Assistance Funds (2%)

The Clean Water SRF Program does not intend to use the 2% technical assistance funds and will instead fund projects. The Clean Water SRF Program preserves the ability to use prior year Technical Assistance funds under future Intended Use Plans.

6.5. Future Program Impact

The proposed method and financial terms for distributing project funds presented in this Intended Use Plan should have a positive impact on the long-term financial status of the CWSRF while accounting for loan subsidy. Principal payments on loans plus the interest earnings on the fund balance are deposited into the CWSRF and made available for future clean water projects. Lending procedures used by the Vermont Bond Bank for municipal loans and the Vermont Economic Development Authority for loans to private entities include safeguards structured to minimize unforeseen losses to the fund. Additionally, the placement of the CWSRF within the financial structure of the Vermont Bond Bank guarantees that the Program will benefit in the long-term from the management and financial planning expertise of this organization.

7. Criteria and Method for Distribution of Funds

The Vermont General Assembly enacted Act 75 creating 24 V.S.A. Chapter 120 in the 1987 legislative session, which established Vermont's CWSRF and set out certain priority criteria for the purpose of ranking prospective projects. The Municipal Pollution Control Priority System Rule (Agency of Natural Resources Environmental Protections Rules, Chapter 2) incorporates those criteria in addition to criteria required in federal construction grant regulations 40 CFR Section 35.915.

The Vermont CWSRF initiated operations in fiscal year 1989 and all initial financial assistance activities of the CWSRF have been in the form of loans. Loans will continue to be made in accordance with a project's priority list ranking as noted on the Priority List that is established annually through the Municipal Pollution Control Priority System.

The Pollution Control Project Planning List shows anticipated construction and planning projects for the immediate five-year period, inclusive of state fiscal year 2027. We anticipate strong demand for funds in state fiscal years 2027 to 2030 with demand for funding potentially exceeding availability. The funds will be managed to maximize project funding.

Although the CWSRF may be used for the refinancing of local debt obligations incurred after March 7, 1985, Vermont has not used the fund in this way and may provide such funding if the balance remains underutilized and there is compelling justification of a public benefit to be secured.

Environmental benefits are reported at least quarterly for every loan transaction using the EPA Office of Water SRF reporting system (OWSRF). Loans used to meet equivalency requirements are reported in conformance with the Federal Funding Accounting and Transparency Act. The Subaward Reporting System (FSRS) used to report loans for FFATA was retired in 2024 and has been replaced by the System for Award Management (SAM.gov).

Vermont's CWSRF continues to maintain its Repayment Start Date, Emergency Bypass Policy, and Green SW Definition Policy.

8. Additional Subsidy

The term “additional subsidy” or just “subsidy” refers to forgiveness of loan principal. All subsidy is offered only for municipal or municipally-sponsored projects and is offered on a first-come, first-served basis. Eligibility requirements are discussed in “Requirements to Secure Additional Subsidy”, below.

The following sections identify the amount of available subsidy and the eligible categories.

8.1. Prior Year Subsidy

This IUP amends the following prior year IUPs to make available unused subsidy amounts. This subsidy is made available under the terms of the 2026 IUP as described in Section 8.3.

Grant	Additional Subsidy	AC/603(i)*
2023 General		\$311,900
2023 General Supplemental		\$328,183
2024 General	\$243,650	\$140,120
2024 General Supplemental		\$2,155,346
2025 General	\$252,060	\$1,482,600
2025 General Supplemental		\$4,399,960

*AC/603(i) = Recipients must meet the State's Affordability Criteria or projects must qualify under Section 603(i) of the Federal Clean Water Act.

8.2. 2026 Subsidy Amounts

Subsidy amounts are stipulated per federal law and the Capitalization Grant agreements with EPA. The specific amounts of proposed subsidy are described below.

8.2.1. General Grant

General Grant: an amount equal to 10% of the grant must be provided as subsidy to eligible recipients. Additionally, the State must use at least 10% but no more than 30% of the grant to provide additional subsidy to recipients that meet the state's affordability criteria or project types as described in section 603(i) of the CWA. The program intends to utilize a combined 25% in this current IUP.

8.2.2. General Supplemental Grant

Per the Bipartisan Infrastructure Law, an amount equal to 49% of the grant shall be provided as subsidy to recipients that meet the state's affordability criteria or project types as described in section 603(i) of the CWA.

8.2.3. Emerging Contaminants Grant

Per the Bipartisan Infrastructure Law, an amount equal to 100% of the grant shall be provided as subsidy, with no additional eligibility restrictions.

8.2.4. Summary Table: Available Subsidy by FFY 2026 Grant

Grant	Additional Subsidy Proposed	Eligibility Requirements Per EPA Grant Agreement
General	\$350,700	No Restrictions
	\$526,050	AC/603(i)*
General Supplemental	\$5,926,060	AC/603(i)
Emerging Contaminants	\$1,072,000	No Restrictions

*AC/603(i) = Recipients must meet the State's Affordability Criteria or projects must qualify under Section 603(i) of the Federal Clean Water Act.

8.3. Subsidy Categories

This IUP proposes to use subsidy to provide principal loan forgiveness for the following categories of activities. Available subsidy includes unused subsidy from prior IUPs.

1. Planning (Additional Subsidy): \$846,410
2. Planning, Construction, Floodplain (Affordability Criteria/603(i) Subsidy: \$15,270,719
3. Emerging Contaminant Planning and Construction activities: \$1,184,131

8.3.1. Summary Table: Available Subsidy by Initiative Category (FFY 2026 Grant and Prior Year Subsidy Combined).

Grant	Initiative	Amount	Subsidy Type
General and General Supplemental			
	Planning	\$846,410	No restrictions
	Planning, Construction and Floodplain	\$15,270,219	AC/603(i)
Emerging Contaminants			
	Planning and Construction	\$1,184,131	No restrictions

*AC/603(i) = Recipients must meet the State's Affordability Criteria or projects must qualify under Section 603(i) of the Federal Clean Water Act.

8.3.2. Planning Subsidy

Supports Short Term Goal #6: Financing of Planning Activities

This avenue to receive principal loan forgiveness for planning includes feasibility studies, asset management planning, preliminary engineering reports, and final design. Vermont CWSRF has determined this application of additional subsidy is eligible under the Federal Water Pollution Control Act (FWPCA), section 603(i) which states: In any case in which a State provides assistance to a municipality or intermunicipal, interstate, or State agency under subsection (d), the State may provide additional subsidization, including forgiveness of principal and negative interest loans— (B) to implement a process, material, technique, or technology— (iv) to encourage sustainable project planning, design, and construction.

Planning Subsidy Categories are described below.

8.3.2.1. Planning Subsidy: General

Eligible planning projects may receive loan forgiveness as follows:

- 50% forgiveness of planning costs, up to \$150,000 per project.

8.3.2.2. Planning Subsidy: Village Wastewater Initiative

Eligible Village Wastewater projects may receive loan forgiveness as follows:

- 100% forgiveness of planning costs, up to \$150,000 per project.

8.3.2.3. Planning Subsidy: Emerging Contaminants Grant

Planning projects eligible for Emerging Contaminants funding may receive loan forgiveness as follows. Projects receiving subsidy under this category are not eligible for subsidy under 8.3.2.4.

- 100% forgiveness of planning costs, up to \$150,000 per project.

8.3.2.4. Planning Subsidy: Regional Septage Management

Eligible planning projects may receive loan forgiveness as follows:

- 100% forgiveness of planning costs, up to \$150,000 per project, for projects meeting DEC guidelines related to regional septage management. Projects receiving subsidy under this category are not eligible for subsidy under 8.3.2.3.

8.3.2.5. Planning Subsidy: Flood Resilience

Planning for facilities significantly damaged by flooding in 2023 or later, for activities related to relocation, or reconstruction on-site with augmented flood resilience.

- 100% forgiveness of planning costs, up to \$150,000 per project.

8.3.3. Floodplain Restoration Subsidy

Supports Short Term Goal #5: Financing incentives for natural infrastructure and #3: Financing support for economically disadvantaged MHCs.

This additional subsidy offers principal loan forgiveness as outlined below with a maximum allowable for this entire initiative of \$500,000. This additional subsidy opportunity is for floodplain buyouts and restoration to purchase developed properties located in floodplains or at high risk of flooding or erosion as determined by the DEC Rivers Program. Loan funds for eligible projects are considered under the Interim Finance Put-Aside.

1. Projects eligible for FEMA funding:

- a. In manufactured home community: Subsidy in the form of 100% principal forgiveness, up to 50% of total project costs or \$250,000, whichever is lower. Example with \$200,000 total project cost: \$100,000 loan, \$100,000 forgiven.
- b. Not in manufactured home community: Subsidy in the form of 100% principal forgiveness, up to 25% of total project costs or \$100,000, whichever is less. Example with \$200,000 total project cost: \$50,000 loan, \$50,000 forgiven.

2. Projects not eligible for FEMA funding:

- a. In manufactured home community: Subsidy in the form of 100% principal forgiveness up to \$250,000. Example with \$200,000 total project cost: \$200,000 loan, \$200,000 forgiven.
- b. Not in manufactured home community: Subsidy in the form of 100% principal forgiveness up to \$100,000. Example with \$200,000 total project cost: \$100,000 loan, \$100,000 forgiven.

Eligible costs may include property purchase, closing costs, demolition and site restoration, and floodplain restoration. All eligibility determinations and cost approvals will be made by the DEC Rivers Program. These loans must be municipally sponsored.

Projects that intend to seek funding must submit a letter of intent to apply by the sponsoring municipality no later than February 15, 2026. After this date any remaining subsidy without identified demand will be made available under Section 8.3.5. (Construction Subsidy). Additionally, projects must meet applicable Priority List Bypass Procedure dates in Section 11.2.

8.3.4. Construction Subsidy

Loan forgiveness for eligible construction activities supports multiple long-term and short-term goals. There are three construction subsidy categories: Category 1: subsidy for communities meeting affordability criteria; Category 2: subsidy for projects eligible for Emerging Contaminants Grant funding; Category 3: subsidy for qualifying “Lakes in Crisis” projects. Projects may receive up to the maximum amount of loan forgiveness under each category.

8.3.4.1. Construction Subsidy Category 1: Affordability Criteria Subsidy

Eligible construction projects meeting Affordability Criteria (Section 9) may receive loan forgiveness as follows:

- 75% loan forgiveness, up to \$2,000,000 per project, inclusive of prior year construction subsidy.
- Village Wastewater Initiative projects may receive additional construction loan forgiveness in an amount equal to costs incurred under a previously-issued Engineering Planning Advance.
- Projects that received construction loans under the 2024 and 2025 Intended Use Plans will have their loans adjusted in conformance with these revised subsidy provisions subject to the availability of unused subsidy from the Grant year under which the loan was issued.

8.3.4.2. Construction Subsidy Category 2: Emerging Contaminants Subsidy

Construction projects eligible for Emerging Contaminants Grant funding may receive loan forgiveness as follows:

- 100% loan forgiveness, per project.

8.4. Requirements to Secure Additional Subsidy

The Clean Water SRF Program establishes the amount of available additional subsidy on an annual basis in the Intended Use Plan, consistent with the requirements of the State's capitalization grants.

To secure additional subsidy, the following applies: All additional subsidy is awarded to recipients and project types that are eligible for subsidy on a first-come, first-served basis.

- Only municipal applicants qualify for additional subsidy under this IUP.
- Applicants may qualify for multiple types of additional subsidy under this plan, subject to the limitations noted above.
- Additional subsidy is considered reserved for a project upon receipt of the following:
 - Complete funding application
 - Qualifications Based Selection certification, if applicable
 - Draft Engineering Services Agreement
 - Relevant readiness to proceed criteria prior to securing additional subsidy for a final design loan and bond documentation and final design approval prior to securing additional subsidy for construction.

For clarification purposes, the program will notify borrowers when they have secured additional subsidy. The table below lists what is needed for each step to lock in additional subsidy, unless it is inapplicable to the project.

Step 1 (Preliminary engineering, feasibility)

- Complete funding application
- Qualifications Based Selection certification, if applicable
- Draft Engineering Services Agreement

Step 2 (Final design engineering)

- Complete funding application
- Qualifications Based Selection certification, if applicable
- Draft Engineering Services Agreement
- Preliminary Engineering Report Concurrence or Facility Plan Approval from WID engineer

Step 3 (Construction)

- Complete funding application
- Qualifications Based Selection certification, if applicable
- Draft Engineering Services Agreement
- Bond Vote Certification and Counsel Opinion letter
- All required permits in place, including Act 250
- All necessary prior step WID Engineering approvals, including preliminary engineering, facility plan, and final design approval.

9. Affordability Criteria

9.1. Affordability Criteria

This IUP identifies the Affordability Criteria applicable to projects funded off this Intended Use Plan. The Clean Water SRF Program will engage in an ongoing process to evaluate and revise, as necessary, these affordability criteria to ensure disadvantaged communities are equitably served by SRF fund investments. The Clean Water SRF Program is required to establish affordability criteria that help in identifying municipalities that would experience a significant hardship in raising the necessary project revenues. These Affordability Criteria have been adopted in conformance with section 603(i)(2) of the Federal Clean Water Act, which requires the criteria be based on income and unemployment data, population trends, and other data determined relevant by the State, including whether the project or activity is to be carried out in an economically distressed area as described in Section 301 of the Public Works and Economic Development Act of 1965.

In addition to the following criteria, all non-profit or cooperatively owned manufactured home communities (MHCs) categorically meet the state's affordability criteria, as first established in the 2021 Intended Use Plan. Such projects will receive a reduced admin fee rate of 1.5%.

There are five key criteria applied to determine project affordability: median household income (MHI), user costs, unemployment rates, population trends or other demonstrated financial hardships. To be considered a municipality that would experience significant hardship in raising the necessary funding an applicant must qualify under at least two of the key criteria.

- Median Household Income: The project is located in a municipality with a Median Household Income at or less than the statewide average.
- User costs: The project will result in an annual household user cost for sewer and stormwater that exceeds two percent of the Median Household Income.
- Unemployment: The project is located in a municipality with an unemployment rate that is unknown, or at or higher than the statewide median unemployment rate.
- Population trends: The project is located in a municipality with a 10-year population trend that shows a population loss of greater than one percent.
- Other demonstrated hardship: This criterion recognizes there may be unforeseen hardships that do not meet the requirements of the other key criteria. The applicant would have the responsibility of demonstration to the program, in writing, the cost of the project will present a financial hardship. The program would have the discretion of accepting this request.

Income measurements are determined using Median Household Income. This information will be obtained from the American Community Survey's most recent 5-

year rolling average MHI using the most current data available on the date the corresponding IUP year was finalized, or based on an approved income survey, or other method as approved by the Secretary. The procedures for conducting and approving income surveys and the requisite record keeping will be in accordance with the Vermont State Revolving Fund's established Guidance Document #11: Median Household Income Determination or as determined by an equivalent method including HUD's survey method. Annual user cost will be calculated by the annual system debt service, operations and maintenance costs, and short-lived asset set asides, divided by the total Equivalent Residential Units (ERU).

Unemployment data will be based on the most recent statewide unemployment figures as provided by the Vermont Department of Labor and will be compared to the municipality's current unemployment figure.

Population decline will be determined by analyzing the most recent two US Census population numbers.

10. Non-Point Source Funding

Vermont's CWSRF provides funding for eligible non-point sources. Non-point source projects may be funded through loans using standard rates and terms. Generally speaking, non-point source-funded projects are intended to remediate or to promote the remediation of a documented impact to designated uses of Vermont's surface waters, following an approach of documented effectiveness. For projects to be eligible for support under this eligibility, they must be shown to implement the Vermont Nonpoint Source Management Program Plan. Certain nonpoint source project types are described in the CWSRF Eligibilities Handbook referenced below in this section of the Intended Use Plan, though that document does not provide an exhaustive listing. Many lake or watershed restoration project types may be eligible for support under this category presuming they are documented to be effective in addressing the water quality concern and have a project life equal to or greater than the loan term. Some more traditional CWSRF loan funded projects may also be found eligible under CWA Section 319 Eligibility when they are solving a NPS problem, e.g. decentralized community wastewater projects.

Applicants specifically interested in aquatic invasive species (AIS) control should be aware that the CWSRF limits the eligibility of aquatic invasive species projects only to capital expenses associated with the project. As noted by the Nonpoint Source Management Program Plan, nonpoint source projects proposed for the CWSRF support must be identified either by a tactical basin plan or in Vermont's Watershed Projects Database. Loan applicants interested in pursuing non-point source projects should consult with one of the Water Investment Division's Watershed Planners as

noted below, to evaluate the specific eligibility of the project under consideration, and ensure the project is documented in the Watershed Projects Database.

The two evolving mechanisms to increase this type of utilization of the fund are through the Water Infrastructure Sponsorship Program (WISPr) and the Interim Financing for Natural Resources Projects Program.

10.1. Natural Resources Categorical Eligibility

Eligible CWSRF natural resources projects are defined as a project to protect, conserve, or restore natural resources, including the acquisition of easements and land for the purposes of providing water quality benefits (24 VSA Chapter 120 §4752). Eligible project categories include the following hydromodification, habitat, and thermal restoration project types which are categorically considered eligible for Clean Water State Revolving Loan funding:

- Wetland restoration projects
- Floodplain/stream restoration
- Thermal restoration
- River corridor and wetland easements
- Woody buffer plantings
- Dam removal, where there's a water quality benefit
- Lake shoreland retrofit using bioengineering principles
- Water resource protection through land acquisition or easements for the purposes of providing water quality benefits
- Forestland conservation

DEC's Watershed Planners will confirm that proposed natural resources projects are eligible and provide a demonstrated water quality benefit. As projects are proposed to be funded, the Watershed Planners will coordinate within DEC's applicable natural resources programs to ensure the projects not only meet these definitions but do not present an unintended environmental impact. Once the Planners have completed their eligibility determination, they will work with State Revolving Loan Fund Project Developers to assist with the funding process.

Section 603(c) of the Clean Water Act states that the Clean Water State Revolving Loan Fund can provide assistance to these project types under the Habitat Protection and Restoration and Surface Water Protection and Restoration eligibility as described in the [EPA's 2016 Overview of CWSRF Eligibilities](#) document. As it pertains to sponsorship (described below), this is further described in [EPA's Sponsorship Lending](#) and the [CWSRF](#).

Certain NPS projects are not considered treatment works projects and, therefore, are not required to comply with the National Environmental Protection Act-like

review under State Environmental Review Policy (SERP). However, these projects may undergo environmental review as part of the permitting review process, as applicable, by this and other funding sources and are proposed to undergo environmental review under the proposed State Environmental Review Policy (SERP). Additionally, these projects will still undergo review by the Vermont Department of Historic Preservation.

The Water Investment Division reserves the right to request additional review on a case-by-case basis. Additional environmental review determinations will be made by the Watershed Planners.

Many other federal crosscutters are not required for these projects including American Iron and Steel (AIS), Davis Bacon, and Fiscal Sustainability Plans (FSP) as they are not treatment works projects. Additionally, the program intends to use repayment funds (Tier II) to fund all natural resources projects. Due to the use of repayment funds, Qualifications Based Selection (QBS), Signage, and Single Audit Act do not apply. Other traditional CWSRF programmatic requirements such as standard contract documents and CWSRF construction oversight do not apply to these projects and will not be overseen by CWSRF construction engineers. Notable exceptions to this approach include projects receiving non-repayment funds, such as Emerging Contaminant funds, in which case cross-cutter requirements are applicable.

The relevant DEC regulatory or natural resource program section (Dam Safety, Rivers, Wetlands, Stormwater, etc.) will oversee these projects and will develop deliverable requirements. Grant conditions required by the capitalization grant will be incorporated into the loan agreement language.

Inclusion of treatment works elements in a Natural Resource Project will trigger federal crosscutter requirements. Treatment works elements may be included in the same project provided that they are co-funded by CWSRF loans or other sources and meet all federal crosscutters. Inclusion of treatment works elements shall not disqualify the eligibility of the Natural Resource Project elements under WISPr.

10.2. Water Infrastructure Sponsorship Program (WISPr)

Supports Short Term Goal #5: Support of Natural Resource Infrastructure

WISPr was established in 2018 upon the passage of Act 185 which established a mechanism for a municipality to “sponsor” a natural resources project, the cost of which is then forgiven.

To ease accessing WISPr funds, the program will use Tier 2, or repayment funds, to support WISPr projects. These projects will not be reported under Federal Funding Accountability and Transparency Act for equivalency purposes.

The anticipated budget for the implementation of WISPr Natural Resource Projects during this fiscal year will be \$2,000,000. The CWSRF Program reserves the ability to limit WISPr funding on a project-by-project and programmatic level as necessary in consideration of available funding.

10.2.1. How to Qualify for WISPr Funding

In order to receive WISPr funding, the following must be completed:

- A signed letter of commitment and resolution by the governing body
- Passed bond vote for the sponsoring project, if applicable
- Submitted WISPr Funding Application.

10.3. Interim Financing for Natural Resources Projects

Supports Short Term Goal #5: Support of Natural Resource Infrastructure

Upon the passage of Act 185 in 2018, Vermont's CWSRF program can fund all federally eligible clean water projects and lend to all federally eligible entities, as outlined in EPA's Overview of Clean Water State Revolving Fund Eligibilities paper. The CWSRF continues to utilize this expanded eligibility to promote investment in natural resource projects.

To aid in this investment, this Intended Use Plan is proposing the continuation of an interim financing program. The interim financing is shown on the priority list as a "put aside" to ensure funds are available as needed, though any private entity project that applies to this program would only be funded after all municipal projects that meet readiness criteria are funded. To ensure funding is flexible and available for the interim financing projects, the put-aside does not require discrete projects to be ranked on the priority list, but rather categorically ranked within this put aside. The following is proposed:

- \$2M "put-aside" on the priority list for interim financing of all eligible natural resource restoration, agricultural water quality, and forestry conservation projects. This financing is at 0% interest for municipal applicants and 0.6% for all other applicants, for a term not to exceed 5 years.
- Projects that would have previously qualified for funding under the Farmland Futures Program may apply for funding under this interim finance program.
- In accordance with the Repayment Start Date policy, the initial loan repayment would begin one year after execution of the loan agreement.
- These loans would be subject to other statutory restrictions for private entity borrowing, including the restriction of utilization of no more than 20% of the available funds unless there is not sufficient municipal need and the requirement to offer funding to all eligible municipal projects prior to making this funding available.
- This funding is available on a first-come, first-served basis.

- To secure this funding, applicants must be able to pass underwriting requirements of either the Vermont Economic Development Authority or Vermont Bond Bank.

11. Program Updates and Guidance

11.1. Annual Cap on Loans

This year's priority list does not place an annual cap on loan amount. Where projects are eligible for Emerging Contaminants grant funds and loan value exceed Emerging Contaminants Grant funds, they may receive funding under both the Emerging Contaminants grant and either the General or General Supplemental grants, without a cap on overall loan amount.

11.1.1. Planning Loans Evaluation and Funding Cap

For this Intended Use Plan, "Planning Loans" (Step 1 and/or 2) for General projects (those other than Emerging Contaminants) will be funded using the \$5,000,000 put-aside shown in the Priority List. The Clean Water SRF Program is accepting applications for Planning Loans on a rolling basis while funding is available.

The Clean Water SRF Program reserves the ability to make funds under the Planning Loan put-aside available for construction projects in an amount up to the balance of the put-aside less the dollar amount of planning loan applications received by March 1, 2027.

If additional funding is available following the bypass of projects on the Priority List, the Water Investment Division may increase funding for Planning Loans beyond \$5,000,000.

11.1.2. Planning Loan Repayment

As of this 2026 Intended Use Plan, repayment of planning loans will generally begin three years following the loan agreement date. Previously, the repayment start date was five years. The Clean Water SRF Program is making this change to ensure that all planning and design loans enter repayment in conformance with applicable guidelines.

The three-year repayment start date accounts for the time necessary to complete pre-construction planning and design, acquire necessary permits and procure construction funding for the project. Construction loan repayment start date is one year after project completion.

11.2. Priority List Bypass Procedure

In order to further prioritize the management of the priority list, the program implements Readiness to Proceed Criteria that require submission of an administratively complete preliminary engineering report (PER) in order to be

ranked for construction loan and PC grant funding. Projects that are in the planning stages may submit priority list applications but will be shown as future projects for planning purposes. Additionally, projects must meet these readiness-to-proceed deadlines, by no later than:

- November 1, 2026: Submit complete Step II/ Final Design Loan Application;
- January 31, 2027: Schedule a bond vote and submit a copy of the warning to the Clean Water SRF Program;
- May 1, 2026: Receive voter authorization via the bond vote and submit a project schedule that demonstrates the project will be ready to go to bid by June 30, 2027; and,
- May 1, 2027: Submit complete Step III/Construction loan application (all required items have been completed and submitted, including Final Design Approval and Draft Step 3 ESA).

Any projects that confirm to the CWSRF program that they have secured funding through another source will receive notification of bypass.

Projects not meeting readiness to proceed dates will be bypassed in favor of lower ranking projects. For purposes of bypass, a project will be defined by a single priority list application. If there are multiple sub-projects or sub-components within a priority list application, a Preliminary Engineering Report submittal will be required for all sub-projects, and all sub-projects must meet readiness to proceed guidelines or the entire project will be subject to bypass.

11.3. Guidance on Planning Versus Construction Activities

Activities that are regarded as construction are subject to additional construction procurement provisions that do not apply to planning activities.

Planning activities are those activities that take place during the feasibility, preliminary engineering, and design phases of a project and where there is no significant alteration of existing ambient conditions. In general, if an activity involves excavation or moving soil or rock, it is not a planning activity. This excludes Agency of Commerce and Community Development-required archeological test pits, DEC-required soil test pits, soil auguring, borings, and other geotechnical investigative work required for Section 106 review, feasibility level site review, and design of wastewater disposal systems and stormwater infiltration practices.

If a final design approval letter is issued for a project, the planning activities associated with the project must take place prior to issuance of the letter.

Examples of planning activities:

- Feasibility studies;
- Preliminary engineering reports and engineering studies;

- Development of compliance assistance tools
- Installation of equipment including sensors, meters, gauges, hardware and software used to store and interpret data;
- Sampling, lab work, and data analysis;
- Flow and Level monitoring of CSO discharges including the capability to transfer data electronically in real time for the equipment being installed.

This is not an exhaustive list and other activities will be reviewed by the Clean Water SRF Program on a case-by-case basis.

11.4. ANR Online Funding Application

Loan applications and associated documentation must be submitted through ANR Online [ANR Online Link](#). A loan application will be considered complete when the form and all required documentation are uploaded to ANR Online and the applicant clicks the Submit button. The documentation required for loan applications varies by project step. Applicants with questions about required documentation are encouraged to reach out to a Clean Water Project Developer with questions.

Applicants should begin the review process for their draft Engineering Services Agreement (ESA) prior to obtaining other documentation required to submit a complete loan application. Applicants may work directly with the relevant Water Investment Division engineering staff to secure review of their ESA; however, no formal loan action will be taken prior to submitting a complete loan application.

It should be noted that the submission of a completed application is not sufficient to lock in additional subsidy as the project needs relevant approvals as detailed in the additional subsidy portion of this Intended Use Plan.

11.5. State Environmental Review Procedure Update

Vermont is in the process of revising the State Environmental Review Process (SERP) to evaluate the identifiable environmental effects of a project, funded through the Clean Water and Drinking Water Revolving Loan Funds. This will continue to ensure the necessary mitigation measures are implemented, with public participation and comment period, prior to project implementation actions. This process is applied both to municipal and private loan recipient projects, whether through the Clean Water and Drinking Water State Revolving Loan Funds. The purpose of the procedure is to parallel the intentions of the National Environmental Policy Act (NEPA), as enacted in 1969 with subsequent amendments. The revised procedure is currently in internal review and once that review is completed it will go out for 30-day public comment. The revised procedure is subject to US EPA approval. The procedure applies to all Clean Water and Drinking Water State Revolving Loan funded projects, to ensure that state and federal environmental laws and impacts are considered.

11.6. CW SRF Fund Transfer to Onsite Loan Fund

The CWSRF Program will reserve up to \$275,000 annually for transfer to the Onsite Loan Fund.

11.7. US Environmental Protection Agency (EPA) Performance Evaluation Review

EPA undertakes an annual Performance Evaluation review for the Clean Water SRF Program. The most recent Program Evaluation Review conducted by EPA Region 1 covered State Fiscal Year 2025. State Fiscal Year 2025, which runs from 7/1/2024 to 6/30/2025, was covered by the 2024 Intended Use Plan. The Program Evaluation Review identifies Action Items requiring follow up by the Clean Water SRF Program. The following is a summary of open Action Items for the 2025 Performance Evaluation Review. As of the date of this draft Intended Use Plan, EPA's 2025 Performance Evaluation Review report was in draft form. The final Intended Use Plan will be revised to include any changes in the final version of the Performance Evaluation Review report. Additionally, the Clean Water SRF Program issues an Annual Report to EPA that covers program operations and addresses action items identified by EPA in their Review.

2025 Program Evaluation Review (PER) Action Items from US EPA:

Follow Up from 2024 PER Action Items

1. **Action Item:** VT DEC will submit a Corrective Action Plan to EPA by August 29th, 2025.
 - a. **Status:** Ongoing. VT DEC submitted the CAP on 10/29/2025. EPA staff held a meeting with VT DEC during the Annual Review and VT concurred with creating an updated CAP for FY26.
2. **Action Item:** Ensure that all crosscutters are included in all construction contracts. Provide EPA a copy of standard front-end documentation by June 30th, 2025, showing that all crosscutters are included.
 - a. **Status:** Ongoing. VTDEC provided EPA a copy of new crosscutter guidance on June 12th, 2025. Standard front-end documents have not been developed.
3. **Action Item:** Ensure that the FFATA reporting for the 2023 Base grant is corrected and is not overreported by June 30th, 2025
 - a. **Status:** Completed.
4. **Action Item:** If, by 6/30/2025, the minimum GPR amount is not committed for the 2024 capitalization grants, milestones and goals to meet the minimum must be included in the 2025 annual report.
 - a. **Status:** Completed for 2024 Base and IIJA Supplemental. No eligible projects for EC, this is considered completed.
5. **Action Item:** Include a list of the projects and amounts committed for GPR in the Annual Report for the prior year's capitalization grants.

- a. **Status:** GPR projects are included, however the projects reported were not signed in or after the year under review. See above section on GPR.
6. **Action Item:** If, by 9/30/2025, the additional subsidy for the 2022, 2023, or 2024 capitalization grants are not met, milestones and a plan for committing the remaining subsidy for all grants must be included in the 2025 Annual Report.
 - a. **Status:** Ongoing. Annual report includes information that the available amount of subsidy for a particular project was increased to be able to use subsidy more effectively. Subsidy for all grant have not yet been met and this will be an action item this year.
7. **Action Item:** Per 40 CFR 35.3570(a)(3)(ix), VT should include a statement about the fees collected and used during the fiscal year of the Annual Report.
 - a. **Status:** Completed.
8. **Action Item:** Ensure that progress is being made to meet the binding commitment requirements for the Emerging Contaminant BIL Grants. (Repeat from the FY23 PER)
 - a. **Status:** Ongoing. The program has seen additional demand for EC funds, however as of 6/30/2025 the BC requirement was again out of compliance. In the quarter following, the program closed a loan to bring the program into compliance. A new action item has been added.
9. **Action Item:** Ensure that project checklists are formatted in a way that the correct information can be entered. Please complete this update and notify the project officer of the completion by November 1st. (Repeat from the FY23 PER)
 - a. **Status:** Completed.
10. **Action Item:** Include a list of the projects that are used to meet equivalency requirements in the Annual Report. (Repeat from the FY23 PER)
 - a. **Status:** Completed. State provided this information in the 2025 Annual Report.
11. **Action Item:** The Annual Report must contain an explanation of the reasons for the delay in the additional subsidy commitments into loan executions and provide a plan that identifies the project(s) that will use the remaining subsidy funds, along with milestones for each project showing the path to an executed agreement. The Annual Report should indicate the amount of additional subsidy from the previous years that must still be committed to projects. (Repeat from the FY23 PER)
 - a. **Status:** Ongoing. The program has made progress but is still behind on commitments, a new action item is included.

Action Items and Recommendations for the 2025 Review from US EPA:

1. **Repeat Action Item:** Include in the 2026 IUP a plan to meet the Binding Commitment Requirement for the Emerging Contaminant Grants and discuss what progress has been made in the next Annual Report
2. **Action Item:** The State will provide EPA Region 1 with an updated Corrective Action Plan by September 30, 2026.
3. **Action Item:** Notify EPA once VT DEC complies with the Memorandum of Agreement with VBB regarding quarterly reconciliations.
4. **Action Item:** Ensure that all contracts for all projects include crosscutter requirements such as The Age Discrimination Act of 1975, Section 13 of the Federal Water Pollution Control Act Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, Section 306 of the Clean Air Act, Section 508 of the Clean Water Act.
5. **Action Item:** Ensure that all contracts for all federal projects include federal crosscutter requirements such as DBE, Suspension and Debarment, and other crosscutters as applicable, including environmental crosscutters.
6. **Action Item:** Ensure that the correct Davis-Bacon term and condition is included in all construction contracts.
7. **Recommendation:** Update site inspection checklists to include BABA.
8. **Recommendation:** Work with EPA to develop front-end contract documents to standardize requirements for federally funded project contracts. Additional standard documents can also be developed for non-federally funded projects.
9. **Action Item:** Review FFATA reporting information provided to EPA Region 1 and discuss potential updates during the next EPA/State check-in meeting. Include all updates in the annual report and include assurances in future IUPs that correct reporting will be followed.
10. **Action Item:** Ensure that all GPR projects are identified to the extent possible in the IUP and that all projects reported for GPR meet the requirement for reporting. Work with EPA to correct the 2024 GPR reported projects by 7/30/2026.
11. **Repeat Action Item:** If, by 9/30/2025, the additional subsidy for the 2022, 2023, 2024 capitalization grants were not met, milestones and a plan for committing the remaining subsidy for all grants must be included in the 2026 Annual Report. The plan for all remaining subsidy must also be included in the 2026 IUP.
12. **Action Item:** Work with EPA to develop alternate strategies to increase subsidy commitments and include those strategies in the CAP.
13. **Recommendation:** Continue to advertise for positions for the program, and have current staff attend CIFA meetings, regional workshops, and SRF trainings.
14. **Recommendation:** Delay applying for the FY26 Capitalization Grants until the second year to obligate and expend existing funds.
15. **Recommendation:** Work with the drinking water SRF program to implement changes to the planning loan repayment process through the Corrective Action Plan.

12. Equivalency and Federal Reporting

The term “equivalency” refers to projects funded in the amount equal to an EPA Capitalization Grant. All equivalency projects are reported to the Environmental Protection Agency in conformance with the Federal Funding Transparency Act.

Equivalency projects are required to comply with several requirements collectively referred to as “cross-cutters.” Additionally, certain cross-cutters apply to individual projects regardless if the project is reported per the Federal Funding Transparency Act.

All projects receiving federal funds are required to comply with the requirements of the federal Single Audit Act, Fiscal Sustainability Plans, EPA SRFY Signage Guidelines and Qualifications Based Selection, except for specifically designated projects.

All projects must comply with a National Environmental Protection Act-like review, Telecommunications Prohibition (Telecom Equipment & Services 2 CFR 200.21), Federal Flood Risk Management Standard (FFRMS), Disadvantaged Business Enterprise reporting, Davis-Bacon, American Iron and Steel, and other required federal crosscutters, as applicable, except for specifically designated non-treatment works projects.

All treatment works projects are required to meet all cross-cutters, except Build America Buy America requirements, as noted below.

Build America Buy America requirements apply to all projects reported for purposes of the Federal Funding Transparency Act. The Program will identify such projects as necessary to comply with equivalency reporting requirements.

13. Green Project Reserve

The Vermont requirement for Green Project Reserve (GPR) for FFY 2026 is 10% of the General, General Supplemental, and Emerging Contaminants grants. Potential GPR projects are identified on the attached priority list. Many of these projects are early in the development phase. Engineering and project development staff will work directly with municipalities and their consultants to incorporate green project elements into the project design.

While the goal for GPR is 10% of the federal grant, it is the position of the program to solicit and prioritize more than the minimum goal. This will ensure that if certain project elements have changed during the development and construction of a

project that may reduce or eliminate GPR elements, there are sufficient GPR projects to meet or exceed this goal.

Grant	Green Project Reserve Requirement
General	\$350,700
General Supplemental	\$1,209,400
Emerging Contaminants	\$107,200

While Vermont intends to prioritize GPR projects addressing emerging contamination concerns, the existing applications may not identify sufficient project elements to meet the minimum goal. If the number of projects identified is short of the goal, the balance of the GPR allocation for emerging contaminants will return to the general emerging contaminant initiative.

14. Public Participation

Vermont follows public participation procedures in the development of the annual Project Priority List, the Intended Use Plan and in the environmental review process. The Intended Use Plan is typically developed and adopted annually along with the Priority List using the same public participation procedure outlined in the Municipal Pollution Control Priority System Rule. Vermont implements public participation for specific projects through the environmental review for CWSRF funded projects in accordance with the State Environmental Review Procedure. This procedure was approved by the EPA Regional Administrator in accordance with the August 2, 1989, Clean Water SRF Operating Agreement between the State of Vermont and the U.S. Environmental Protection Agency, Region I.

On January 8, 2026, the Clean Water SRF Program notified municipalities and other interested parties to apply to be included on the Municipal Pollution Control Projects Priority List for State Fiscal Year 2027 with a due date of February 6, 2026, for inclusion in the draft Pollution Control Priority List.

The draft Intended Use Plan was released on DATE, 2026. A public hearing invitation to participate was sent via email to all entities in the contact list and directions to participate via Microsoft Teams, telephone, or in person were posted on the SRF website and on the state library public hearing calendar. A hybrid virtual/in-person public hearing will be held on DAY, DATE, 2026, at Time, at the Catamount Room of the National Life Building, 1 National Life Drive, Montpelier. Public

comments on this draft IUP will be accepted at the public hearing and in writing until 5:00 PM on DATE, 2026.

15. Responsiveness Summary

The final Intended Use Plan will include a response to all public comments submitted regarding this draft Intended Use Plan.

16. Revisions to the Final Intended Use Plan

The final Intended Use Plan will identify all revisions made relative to the draft Intended Use Plan.

17. Tables: Municipalities and NPDES Regulated Facilities

Tables Identifying Vermont municipalities and NPDES regulated facilities. Attached.

18. Project Priority Lists

General Projects (General, General Supplemental and Emerging Contaminants combined). Attached.

DRAFT 2027 Pollution Control Priority and Planning List

Applicant	Applicant Type	Project Name	Priority Points	Project Category	2027 Step I	2027 Step II	2027 Step III	2027 Total Project Cost	Green Project Reserve	Grant Source
Londonderry, Town of*	M	So Londonderry Community Wastewater	96	NPS - IDS	0	0	1,086,213	1,086,213	1,086,213	GB
Hinesburg, Town of	M	WWTF Upgrade Contract No. 2	92	TW - AT	0	0	0	0	0	-
Montgomery, Town of*	M	Montgomery Center Community Wastewater Project	88	NPS - IDS	0	0	0	0	11,265,580	-
Waitsfield, Town of*	M	Waitsfield Community Wastewater	86	NPS - IDS	0	0	0	13,324,563	18,834,740	-
Wolcott, Town of*	M	Wolcott Village Decentralized Wastewater Project	85	NPS - IDS	0	0	5,009,900	5,009,900	5,749,000	GB
Vergennes, City of	M	Vergennes WWTF Hydraulic Upgrade	84	TW - ST	0	0	0	14,299,925	100,000	-
Colchester, Town of	M	Malletts Bay Sewer Project - Phase 1	81	TW - NCS	0	0	0	0	0	-
Colchester, Town of	M	Malletts Bay Sewer Project - Phase 2	81	TW - NCS	0	0	0	0	0	-
Shelburne, Town of	M	WWTF Consolidation Contract No. 1	79	TW - AT	0	0	0	10,200,000	0	-
Shelburne, Town of	M	WWTF Consolidation C#2	79	TW - AT	0	0	0	34,202,000	0	-
Saint Albans, City of*	M	Houghton Park CSO Storage Tank	77	TW - CSOC	0	0	0	4,685,858	0	-
Proctor, Town of*	M	Proctor WWTF Upgrade Contract No. 1	76	TW - AT	0	0	0	699,438	0	-
Proctor, Town of*	M	Proctor WWTF Upgrade Contract No. 2	76	TW - AT	0	0	0	5,166,000	0	-
Swanton, Village of*	M	WWTF Upgrade and Phosphorous Improvements	76	TW - AT	0	0	0	0	0	-
Rutland, City of*	M	Meadow Street Combined Sewer Separation	76	TW - CSOC	0	0	0	0	0	-
Middlebury, Town of	M	WWTF MPS & SBR Controls	72	TW - SSR	0	0	0	6,172,000	0	-
Barre, City of*	M	WWTF Headworks	71	TW - ST	0	0	0	8,847,600	0	-
Brighton, Town of*	M	Brighton Wastewater Treatment Facility Refurbishment	70	TW-AT	0	0	0	0	0	-
Burlington, City of	M	WWTFs Stage 0 Headworks Improvements	69	TW - ST	0	0	0	0	0	-
South Burlington, City of	M	Bartlett Bay WWTF Refurbishment	67	TW - AT	0	0	12,173,884	42,376,354	4,200,000	GS
Chester, Town of*	M	First Ave Force Main, Pump Station and Gravity Main	62	TW - SSR	0	0	0	2,982,900	0	-
Morrisville, Village of*	M	Jersey Heights Pump Station Upgrade	48	TW - SSR	0	0	0	1,410,752	0	-
Essex, Town of	M	Center Rd Sewer Force Main Replacement	35	TW - SSR	0	0	0	0	0	-
South Burlington, City of	M	Solids Handling Upgrades	26	TW - AT	0	0	0	0	0	-
Bolton Valley Community W&S	PNP	BVCWS WWTF Upgrade	18	TW - ST	0	0	0	0	150,000	-
Planning Put Aside	NA	Planning Loan Put-Aside	NA	NA	0	0	5,000,000	0	NA	NA
Pownal, Town of*	M	Pownal Landfill Remediation (Emerging Contaminants)	46	NPS - B	115,000	156,000	3,000,000	3,500,000	0	EC
Hinesburg, Town of	M	WWTF Upgrade, Contract No. 4	94	TW - AT	0	0	1,061,500	1,061,500	0	GB
Vergennes, City of	M	Vergennes WWTF Contract 2	84	TW - ST	0	0	5,437,735	5,437,735	100,000	GS
Londonderry, Town of*	M	No Londonderry Community Wastewater	77	NPS - IDS	0	0	282,000	282,000	282,000	GS
Poultney, Village of*	M	Poultney Interceptor Sewer Improvements	76	TW -JI	0	0	762,500	762,500	847,000	GS
Berlin, Town of	M	Riverton Village Community Wastewater	75	NPS - IDS	0	0	0	908,000	0	GS
Berlin, Town of	M	Weston's MHC Wastewater Project	74	TW - NCS	0	0	2,254,291	2,254,291	0	GS
Rutland, City of*	M	Connor Park CSO Storage	73	TW - CSOC	0	0	7,060,000	7,060,000	0	GS
Rutland, City of*	M	Stormwater and Wastewater Improvements	72	TW - CSOC	0	0	1,535,000	1,535,000	0	GS
Barton, Village of*	M	WWTF Improvements	71	TW - ST	0	513,000	10,267,400	10,780,400	0	GS
Vergennes, City of	M	Macdonough Dr.Pump Station Force Main Improvements	71	TW - SSR	0	1,205,650	7,156,350	8,362,000	100,000	GS
Vergennes, City of	M	North Main Sewer Rehabilitation	70	TW - SSR	0	180,000	1,116,600	1,296,600	0	GB
Shelburne, Town of	M	WWTF Consolidation C#3	68	TW - AT	0	0	1,727,986	1,727,986	0	GB
Springfield, Town of*	M	Main Street Sewer Replacement Design	67	TW - SSR	0	0	3,016,100	3,016,100	0	GB
Vergennes, City of	M	Otter Creek Interceptor Sewer Rehabilitation	67	TW - SSR	0	130,000	1,600,000	1,730,000	0	GB
Saint Albans, City of*	M	Federal Street Connector - Sewer Utility	65	TW - CSOC	0	0	2,000,000	2,000,000	0	GB
Burlington, City of	M	Pump Station Refurbishment Phase II (Next 3)	64	TW - SSR	0	0	3,730,000	5,730,000	0	GB
Rutland, City of*	M	CSO Check Valves	63	TW - CSOC	0	0	1,150,000	1,150,000	0	GB
Burlington, City of	M	Wastewater Collection System Improvements	61	TW - SSR	0	200,000	2,000,000	2,200,000	0	GB
Burlington, City of	M	Stormwater Collection System Improvements	58	SW - Gray	0	200,000	2,000,000	2,200,000	0	GB
Burlington, City of	M	WWTF Improvements - East Plant Conveyance, Cherry St	58	TW - SSR	0	0	2,791,500	2,791,500	0	GB
Springfield, Town of*	M	WWTF and Solids Handling Upgrade Phases 1-3	58	TW - AT	0	300,000	6,000,000	6,300,000	0	GB
Woodstock, Town of	M	Main WWTF Upgrade	58	TW - AT	0	0	31,934,000	31,934,000	0	GB
Poultney, Village of*	M	WWTF Upgrade	58	TW - AT	0	0	4,708,700	4,708,700	0	GB
Bennington, Town of*	M	WWTF Phosphorus Removal Upgrade	58	TW - AT	0	165,000	4,800,000	4,965,000	0	GB
Fairfax, Town of	M	WWTF Upgrade	57	TW - ST	0	128,700	1,650,870	1,779,570	0	GB
Saint Albans, City of*	M	Lower Welden Stormwater Treatment Facility	56	SW - Green	0	0	3,000,000	3,000,000	1,500,000	GB
Rutland, City of*	M	Moon Brook Pond Modifications	56	NPS - H	0	0	1,500,000	1,500,000	212,000	GB
Saint Johnsbury, Town of*	M	Mount Pleasant MHC Wastewater Replacement	54	NPS - IDS	0	258,920	1,618,250	1,877,170	1,877,170	GB
Chelsea, Town of*	M	WWTF Upgrade	53	TW - ST	0	56,000	465,000	521,000	0	GB
Middlebury, Town of	M	South St Sewer and Stormwater	52	TW - SSR	0	0	3,250,000	3,250,000	0	GB
Burlington, City of	M	Manhattan Drive Outfalls Project - Step III	51	SW - Gray	0	0	1,069,576	1,069,576	0	GB
Cabot, Town of*	M	WWTF Refurbishment	50	TW - AT	0	32,300	400,000	432,300	0	GB
Sherburne Fire District #1	M	R&B and Effluent Pump upgrade	49	TW - ST	0	0	3,300,000	3,300,000	0	GB
Chester, Town of*	M	WWTF Upgrade	49	TW - ST	0	310,000	6,160,000	6,470,000	0	GB
Saint Johnsbury, Town of*	M	Sludge Management Improvements	49	TW - ST	0	0	2,253,700	2,253,700	0	GB
Richmond, Town of	M	WWTF Upgrade	46	TW - ST	80,900	869,844	13,000,000	13,950,744	1,662,000	GB
Rutland, City of*	M	Terrill St Sewer Improvements	46	TW - SSR	0	0	850,000	850,000	0	GB
Bellows Falls Village Corp*	M	WWTF Upgrade	44	TW - ST	0	335,000	6,672,400	7,007,400	0	GB
Berlin, Town of	M	Rte 302 WW Pump Station Replacement	41	TW - SSR	0	0	1,699,700	1,699,700	0	GB
Hardwick, Town of*	M	Pump Station Rebuild and Flood Mitigation	39	TW - AT	20,000	100,000	2,000,000	2,120,000	0	GB
Montpelier, City of	M	Pump Station #1 Replacement	38	TW - SSR	0	0	1,571,265	1,571,265	0	GB
Essex Junction, City of	M	Maple and River Street Pump Stations	37	TW - SSR	0	0	960,000	960,000	0	GB
Danville, Town of*	M	WWTF Upgrades	31	TW - AT	0	125,000	1,900,000	2,025,000	0	GB
Saint George Community Coop	PNP	Wastewater System Replacement	60	NPS - IDS	0	0	2,371,600	2,371,600	0	GB
Hillcrest Community	PNP	Wastewater System Replacement	33	NPS - IDS	0	210,584	1,156,590	1,367,174	0	GB
Subtotal SFY2027 Projects Requesting Construction Funding					215,900	5,475,998	187,310,610		47,965,703	

Continuing Projects
Municipal Projects Yet To Be Funded
Private Projects Yet To Be Funded
The bold line on line 50 is the fundable line

Forecasted SFY27 Planning Need	5,169,000	14,549,236	19,718,236
Total	5,384,900	20,025,234	187,310,610
Total SRF Funding Request		212,720,744	
Total Available Funds		81,492,067	
Annual SRF Surplus/Shortfall		(131,228,677)	

Applicant Type:
M = Municipality
PNP = Private Non-Profit
PFP = Private For Profit

* denotes borrower expected to meet affordability criteria

Project Type	Code
CWT - CSO Correction	TW-CSOC
CWT - Sewer System Rehabilitation	TW-SSR
CWT - Secondary Treatment	TW-ST
CWT - Advanced Treatment	TW-AT
CWT - New Collector Sewers	TW-NCS
CWT - Infiltration/Inflow	TW - I/I
NPS - Individual Decentralized Systems	NPS-IDS
NPS - Hydromodification	NPS-H
NPS - Brownfields	NPS-B
Stormwater - Gray Infrastructure	SW-Gray
Stormwater - Green Infrastructure	SW-Green

Note 1: There are no Emergency Projects identified on this priority list

Note 2: Where a project includes multiple categories, the category that accounts for the highest dollar need is shown.

Note 3: There are projects on this list that have been added as continuing projects that did not provide priority list applications.

Grant Identifier
GB (General Base)
GS (General Supplemental)
EC (Emerging Contaminants)

DRAFT Forecasted 2027 Pollution Control Priority and Planning List

Applicant	Applicant Type	Project Name	Priority Points	Project Category	2027 Step I	2027 Step II	2028 Step III	2029 Step III	2030 Step III
Burlington, City of	M	WW Collection System Asset Management	57	TW - SSR	1,000,000	0	0	0	0
Burlington, City of	M	SW Collection System Asset Management	53	TW - SSR	1,000,000	0	0	0	0
Burlington, City of	M	College St Stormwater Separation Project	31	SW - Gray	450,000	0	0	0	0
Burlington, City of	M	Long Term Control Plan Revision	31	TW - SSR	250,000	0	0	0	0
Richford, Village of	M	WWTF Lagoon System Upgrade	20	TW - ST	49,500	0	0	0	0
Fair Haven, Town of	M	Collection System and Adam St PS	20	TW - SSR	100,000	0	0	0	0
Winooski, City of	M	WWTF Flood Mitigation Study	10	TW - AT	40,000	0	0	0	0
Middlebury, Town of	M	WWTF Upgrade	80	TW - ST	1,126,000	2,530,000	41,806,000	0	0
Saint Johnsbury, Town of	M	Portland St. Storm and Sewer Improvements	73	TW - CSOC	0	0	1,550,000	0	0
Saint Johnsbury, Town of	M	Railroad St.Storm and Sewer Improvements	73	TW - CSOC	0	0	473,000	0	0
South Hero, Town of	M	Community Wastewater System	69	NPS - IDS	0	275,000	4,850,000	0	0
Saint Albans, City of	M	Catherine St CSO Storage Tank	67	TW - CSOC	0	408,500	8,850,000	0	0
Jericho, Town of	M	Community Wastewater Project	67	NPS - IDS	0	331,345	6,358,655	6,690,000	25%
Burlington, City of	M	Pine Street CSO Separation and Storage	61	TW - CSOC	0	0	14,000,000	0	0
Richmond, Town of	M	Bridge St Pump Station and Forcemain Upgrade	59	TW - SSR	0	350,000	2,618,000	2,968,000	19%
Reading, Town of	M	Felchville Community Wastewater	58	NPS - IDS	0	154,100	3,347,300	0	0
Hardwick, Town of	M	WWTF Relocation	58	TW - AT	150,000	1,000,000	25,000,000	0	0
Burlington, City of	M	SW Outfall Improvements Group 2	55	SW - Gray	0	150,000	1,500,000	0	0
Burlington, City of	M	SW Outfall Improvements Group 3	55	SW - Gray	0	300,000	1,500,000	0	0
Burlington, City of	M	SW Outfall Improvements Group 1	52	SW - Gray	0	150,000	1,000,000	0	0
Middlebury, Town of	M	Rogers Road Pump Station Upgrade	50	TW - SSR	0	0	2,000,000	2,000,000	0%
Brattleboro, Town of	M	WWTF Biosolids Improvements	46	TW - ST	15,000	100,000	3,925,000	0	0
Stowe, Town of	M	Lower Village Pump Station Replacement	40	TW - SSR	0	285,000	3,000,000	0	0
Essex Junction, City of	M	West Street Pump Station	38	TW - SSR	0	0	1,907,000	0	0
Ludlow, Village of	M	Lower High Street Sewer Project	33	TW - SSR	0	25,000	300,000	0	0
Ludlow, Village of	M	Orion-Thompson Avenue Sewer Improvements	30	TW - SSR	16,500	40,000	560,000	0	0
Barre, City of	M	Washington St Sewer Improvements	20	TW - SSR	50,000	150,000	2,750,000	0	0
Castleton, Town of	M	Rte 30 North Gravity Sewer Rehabilitation	20	TW - SSR	30,000	130,000	2,300,000	0	0
Alburgh, Village of	M	Groundwater Monitoring Wells	20		12,000	30,000	200,000	0	0
Saint Albans, City of	M	WWTF Solids Handeling Improvements	20	TW - AT	30,000	150,000	2,500,000	0	0
Pawlet, Town of	M	WWTF Sludge Storage Project	20	TW - ST	0	130,000	1,360,000	0	0
Johnson, Village of	M	WWTF Relocation	20	TW - AT	100,000	905,000	25,000,000	0	0
Alburgh, Village of	M	Infiltration and Inflow Reduction	20	TW - SSR	0	60,000	500,000	0	0
Ludlow, Village of	M	Wastewater System Improvements	20	TW - SSR	150,000	1,000,000	23,000,000	0	0
Burlington, City of	M	Stage 1 Main WWTF Improvements	10	TW - AT	0	5,000,000	120,500,000	0	0
South Burlington, City of	M	Pump Station and Force Main Replacement	0	TW - SSR	0	675,000	6,075,000	0	0
Edward Farrar UD	M	Sludge Management Project	0	TW - AT	0	160,000	4,000,000	0	0
Saint Albans, Town of	M	St. Albans Bay Sewer Extension	0	TW - NCS	600,000	0	850,000	20,950,000	0
Burlington, City of	M	Stage 2 East to Main Conveyance	10	TW - AT	0	741,636	0	15,862,631	0
Burlington, City of	M	Stage 2 East Pump Station & Decommissioning	10	TW - AT	0	0	255,933	0	4,689,210
Burlington, City of	M	WWTF Stage 2 North Improvements	10	TW - AT	0	0	0	718,333	14,263,944
Burlington, City of	M	WWTF Stage 1 Dewatering Improvements	10	TW - AT	0	0	0	217,277	8,513,961
Shoreham, Town of	M	Wastewater System Upgrades	6	TW - SSR	0	0	0	0	0

TOTALS

Total Anticipated Commitments	(313,835,888)	(49,406,241)	(27,467,115)
Administrative Expenses	(400,000)	(400,000)	(400,000)
Federal Funds	3,507,000	3,507,000	3,507,000
State Matching Funds	701,400	701,400	701,400
Repayment Funds	9,908,375	9,908,375	9,908,375
Carry Forward	0	0	0
Total Available Funds	14,116,775	14,116,775	14,116,775
Total Annual Suprlus/Deficit	(300,119,113)	(35,689,466)	(13,750,340)

DRAFT 2027 Pollution Control Grant Priority List

Applicant	Applicant Type	Project Name	Priority Points	2027 Total Project Cost	PC Grant %	PC Grant Amount
Londonderry, Town of*	M	So Londonderry Community Wastewater	96	1,086,213	35%	380,175
Hinesburg, Town of	M	WWTF Upgrade Contract No. 2	92	0	35%	0
Montgomery, Town of*	M	Montgomery Center Community Wastewater Project	88	0	35%	885,610
Waitsfield, Town of*	M	Waitsfield Community Wastewater	86	13,324,563	35%	4,663,597
Wolcott, Town of*	M	Wolcott Village Decentralized Wastewater Project	85	5,009,900	35%	1,753,465
Vergennes, City of	M	Vergennes WWTF Hydraulic Upgrade	84	14,299,925	34%	4,861,974
Colchester, Town of	M	Malletts Bay Sewer Project - Phase 1	81	0	35%	0
Shelburne, Town of	M	WWTF Consolidation C#2	79	34,202,000	35%	11,970,700
Shelburne, Town of	M	WWTF Consolidation Contract No. 1	79	10,200,000	35%	3,570,000
Saint Albans, City of*	M	Houghton Park CSO Storage Tank	77	4,685,858	24%	1,124,606
Proctor, Town of*	M	Proctor WWTF Upgrade Contract No. 1	76	699,438	27%	188,848
Proctor, Town of*	M	Proctor WWTF Upgrade Contract No. 2	76	5,166,000	27%	1,394,820
Rutland, City of*	M	Meadow Street Combined Sewer Separation	76	0	21%	149,730
Swanton, Village of*	M	WWTF Upgrade and Phosphorous Improvements	76	0	22%	0
Middlebury, Town of	M	Main Pump Station and SBR Controls Upgrade	72	6,172,000	24%	1,481,280
Barre, City of*	M	WWTF Headworks	71	8,847,600	23%	2,034,948
Burlington, City of	M	WWTFs Stage 0 Headworks Improvements	69	0	15%	0
South Burlington, City of	M	Bartlett Bay WWTF Refurbishment	67	42,376,354	28%	11,865,379
Chester, Town of*	M	First Ave Force Main, Pump Station and Gravity Main	62	2,982,900	10%	298,290
Morrisville, Village of*	M	Jersey Heights Pump Station Upgrade	48	1,410,752	10%	141,075
Pownal, Town of*	M	Pownal Landfill Remediation (Emerging Contaminants)	46	3,000,000	10%	327,100
Hinesburg, Town of	M	WWTF Upgrade, Contract No. 4	94	1,061,500	35%	371,525
Vergennes, City of	M	Vergennes WWTF Contract 2	84	5,437,735	34%	1,848,830
Londonderry, Town of*	M	No Londonderry Community Wastewater	77	282,000	29%	81,780
Poultney, Village of*	M	Poultney Interceptor Sewer Improvements	76	762,500	32%	244,000
Berlin, Town of	M	Riverton Village Community Wastewater	75	908,000	32%	290,560
Berlin, Town of	M	Weston's MHC Wastewater Project	74	2,254,291	32%	721,373
Rutland, City of*	M	Connor Park CSO Storage	73	7,060,000	18%	1,270,800
Rutland, City of*	M	Stormwater and Wastewater Improvements	72	1,535,000	24%	368,400
Barton, Village of*	M	WWTF Improvements	71	10,780,400	24%	2,587,296
Vergennes, City of	M	Macdonough Dr. Pump Station Force Main Improvements	71	8,362,000	23%	1,923,260
Vergennes, City of	M	North Main Sewer Rehabilitation	70	1,296,600	22%	285,252
Shelburne, Town of	M	WWTF Consolidation C#3	68	1,727,986	35%	604,795
Springfield, Town of*	M	Main Street Sewer Replacement Design	67	3,016,100	20%	603,220
Vergennes, City of	M	Otter Creek Interceptor Sewer Rehabilitation	67	1,730,000	22%	380,600
Saint Albans, City of*	M	Federal Street Connector - Sewer Utility Design	65	2,000,000	26%	520,000
Burlington, City of	M	Pump Station Refurbishment Phase II (Next 3)	64	5,730,000	10%	573,000
Rutland, City of*	M	CSO Check Valves	63	1,150,000	17%	195,500
Springfield, Town of*	M	WWTF and Solids Handling Upgrade Phases 1-3	58	6,300,000	20%	1,260,000
Woodstock, Town of	M	Main WWTF Upgrade	58	31,934,000	13%	4,151,420
Poultney, Village of*	M	WWTF Upgrade	58	4,708,700	10%	470,870
Bennington, Town of*	M	WWTF Phosphorus Removal Upgrade	58	4,965,000	17%	844,050
Fairfax, Town of	M	WWTF Upgrade	57	1,779,570	27%	480,484
Saint Albans, City of*	M	Lower Welden Stormwater Treatment Facility	56	3,000,000	18%	540,000
Rutland, City of*	M	Moon Brook Pond Modifications	56	1,500,000	11%	165,000
Saint Johnsbury, Town of*	M	Mount Pleasant MHC Wastewater Replacement	54	1,877,170	16%	300,347
Chelsea, Town of*	M	WWTF Upgrade	53	521,000	16%	83,360
Middlebury, Town of	M	South St Sewer and Stormwater	52	3,250,000	11%	357,500
Cabot, Town of*	M	WWTF Refurbishment	50	432,300	14%	60,522
Sherburne Fire District #1	M	RBC and Effluent Pump upgrade	49	3,300,000	11%	363,000
Chester, Town of*	M	WWTF Upgrade	49	6,470,000	10%	647,000
Saint Johnsbury, Town of*	M	Sludge Management Improvements	49	2,253,700	10%	225,370
Rutland, City of*	M	Terrill St Sewer Improvements	46	650,000	10%	65,000
Bellows Falls Village Corp*	M	WWTF Upgrade	44	7,007,400	10%	700,740
SFY2027 Pollution Control Grant Eligibility						70,676,451

Note 1: \$4 million in SFY 27 is available for PC Grants, therefore the full need will not be funded at this time.

Note 2: The PC Grant eligibilities shown are estimates based on the submitted priority list application.
The PC grant amounts will be finalized upon issuance of the project's final design approval.

Continuing Projects
Municipal Projects Yet To Be Funded