

# Connecticut Drinking Water State Revolving Fund Loan Program State Fiscal Year 2025

## Large Public Water Systems Webinar March 12, 2024

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# Agenda

1. Call for Projects
2. Call for Questions
3. Eligibility Applications
4. Priority Ranking System & Disadvantaged Community Index
5. Borrower and Project Eligibility
6. Types of loan and subsidy funding available

Please send all questions to

**[DPH.DWSRF@ct.gov](mailto:DPH.DWSRF@ct.gov)**

# DWSRF – Drinking Water State Revolving Fund

- ✓ Low interest long term loan fund  
Principle Forgiveness
- ✓ Bipartisan Infrastructure Law (BIL) - Year 3
- ✓ Lead Service Lines
- ✓ Emerging Contaminants
- ✓ Eligible Recipients



# Call for Projects State Fiscal Year 2025

**March 8, 2024 - April 26, 2024, 4pm**

Complete a DWSRF Eligibility Application

- ✓ [Drinking Water State Revolving Fund Program \(ct.gov\)](#)

Submit applications to DPH:

- ✓ [DPH.DWSRF@ct.gov](mailto:DPH.DWSRF@ct.gov)

# Call for Questions

**March 8, 2024 – March 27, 2024**

Publish questions received: March 28

Publish answers: April 5

Public facing & transparent

Ensure consistent answers

Submit questions to DPH:

✓ [DPH.DWSRF@ct.gov](mailto:DPH.DWSRF@ct.gov)

# Eligibility Application

- Name of project
- PWS vs. Legal Name of Recipient
- Contacts
- Water System Type: Population & Service Connections
- PURA
- Cost Estimates
- Phases

|  |  |
|--|--|
| State Fiscal Year 2025   |  |
| Public Water System (PWS) Name   | PWSID (CTXXXXXX)   |
| State of Connecticut – Department of Public Health<br>Drinking Water State Revolving Fund (DWSRF) – Project Eligibility Application  |  |
| Please note this is <u>not</u> an application for a loan.  |  |
| <b>Name/title of the project:</b>  |  |
| <b>Full Legal Name of Loan Recipient (if different from PWS name)</b>  | Unique Entity ID (via <a href="https://www.sam.gov">SAM.gov</a> )<br>Federal Employer ID Number (FEIN) |
| <b>Authorized PWS Representative</b>   |  |
| Name:  | Title:   |
| Mailing Address:   |  |
| Phone (w/ ext.):   | Cell:  |
| Email:   |  |
| <b>Project Contact Person (If different than the Authorized Representative)</b>  |  |
| Name:  | Title:   |
| Mailing Address:   |  |
| Phone (w/ ext.):   | Cell:  |
| Email:   |  |
| <b>WATER SYSTEM TYPE AND SERVICING</b>   |  |
| System Type: <input type="checkbox"/> Community PWS <input type="checkbox"/> Non-Profit Non-Community PWS <input type="checkbox"/> Other (explain)   |  |
| Is this PWS a Not-for-Profit water company? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, attach the completed <a href="#">form</a>   |  |
| Is this a municipality-owned PWS? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, is the <a href="#">Municipal Plan of Conservation and Development</a> current? <input type="checkbox"/> Yes <input type="checkbox"/> No  |  |
| Total population served by water system: _____   |  |
| Population to be served by the affected area of the proposed project (see instructions): _____   |  |
| Total number of service connections supplied by the water system: _____  |  |
| Number of service connections supplied by the affected area of the proposed project (see instructions): _____  |  |
| Will this project provide water service to additional service connections not already being supplied by this PWS?  |  |
| <input type="checkbox"/> Yes (answer questions below) <input type="checkbox"/> No (move on to PURA question)   |  |
| a) Will this project consolidate or interconnect an existing PWS?<br><input type="checkbox"/> Yes (complete <a href="#">Public Water System Consolidation Form</a> ) <input type="checkbox"/> No   |  |
| b) Will this project serve homes with private wells that have water quality (approach/exceed MCL or Action Level) or quantity issues?<br><input type="checkbox"/> Yes (complete <a href="#">Private Well Consolidation Form</a> ) <input type="checkbox"/> No  |  |
| c) Other situation not covered by a) or b): <input type="checkbox"/> Yes (please attach explanation) <input type="checkbox"/> No   |  |
| Is the PWS regulated by the DEEP Public Utilities Regulatory Authority (PURA)? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>If yes, please note that you may be required to submit the appropriate financial and Construction Work in Progress (CWIP) documentation prior to a funding award. |  |

# Eligibility Application

- Project Description
- Project Location
- Environmental Considerations
- Benefits and Area of Impact
- AMP & FMP
- Project Readiness
- Signatory Sheet

## PROJECT BENEFITS AND AREA OF IMPACT

Attach a scaled map to show the water service area served by the PWS that will be directly impacted by the water system improvement proposed in this project application (i.e. service areas, street maps, etc.).

Attach a map showing the census tracts that the project area impacts using the US Census Bureau's American Community Survey 5-Year Estimate for the years 2015-2019. List the census tract identification numbers. [The Disadvantaged Community Index GIS mapping tool is available on the DWSRF website.](#)

These maps and information will be used by the DWSRF program to verify the project's qualification for the Disadvantaged Community Assistance Program (DCAP) as identified in the current DWSRF Annual Intended Use Plan.



# Generator Application and Small Loan Application

- Cost: Less than \$100K
- Equipment vs. Installation costs
- Structural improvements/Site work
- Type of generator
- New or replacement



# Priority Ranking System & Disadvantaged Community Index

# Priority Ranking System

- The new priority ranking system is intended to prioritize projects based on (1) the public health risks address and (2) the need of the community
- Three main components:
  - Project Priority Tiers
  - Disadvantaged Community Index
  - Distressed Municipalities List

# Project Priority Tiers

## **Tier I: Acute Health Risks**

Emergent need to address situation immediately  
*E. Coli, nitrates, lead service lines, attributable cause of illness, etc.*

## **Tier II: Chronic Health Risks**

Need to address situation due to long-term risk  
*PFAS, VOC, documented noncompliance for chronic contaminant, etc.*

## **Tier III: Infrastructure Improvements**

Structural- and facility-related issues to allow for best quality and decrease likelihood of future issues  
*Rehabilitation or replacement of storage tanks, water mains, etc.*

# What is the Disadvantaged Community Index (DCI)?

- A new system for prioritizing communities in need developed in-house by the DPH
  - American Community Survey (ACS) 5-year estimates
- Wholistic approach to identifying disadvantaged census tracts
  - Census tracts are small, relatively permanent statistical subdivisions of a county with approximately 4,000 inhabitants
  - Most granular view with complete data

# Disadvantaged Community Index

## Socioeconomic Status

Below Poverty

Unemployed

Income

No High School Diploma

Income Inequality

## Household Composition & Disability

Civilian with a Disability

Single-Parent Households

## Immigration Status & Language

Foreign Born

Speaks English "Less Than Well"

## Housing Type & Transportation

Multi-Unit Structures

Mobile Homes

Crowding

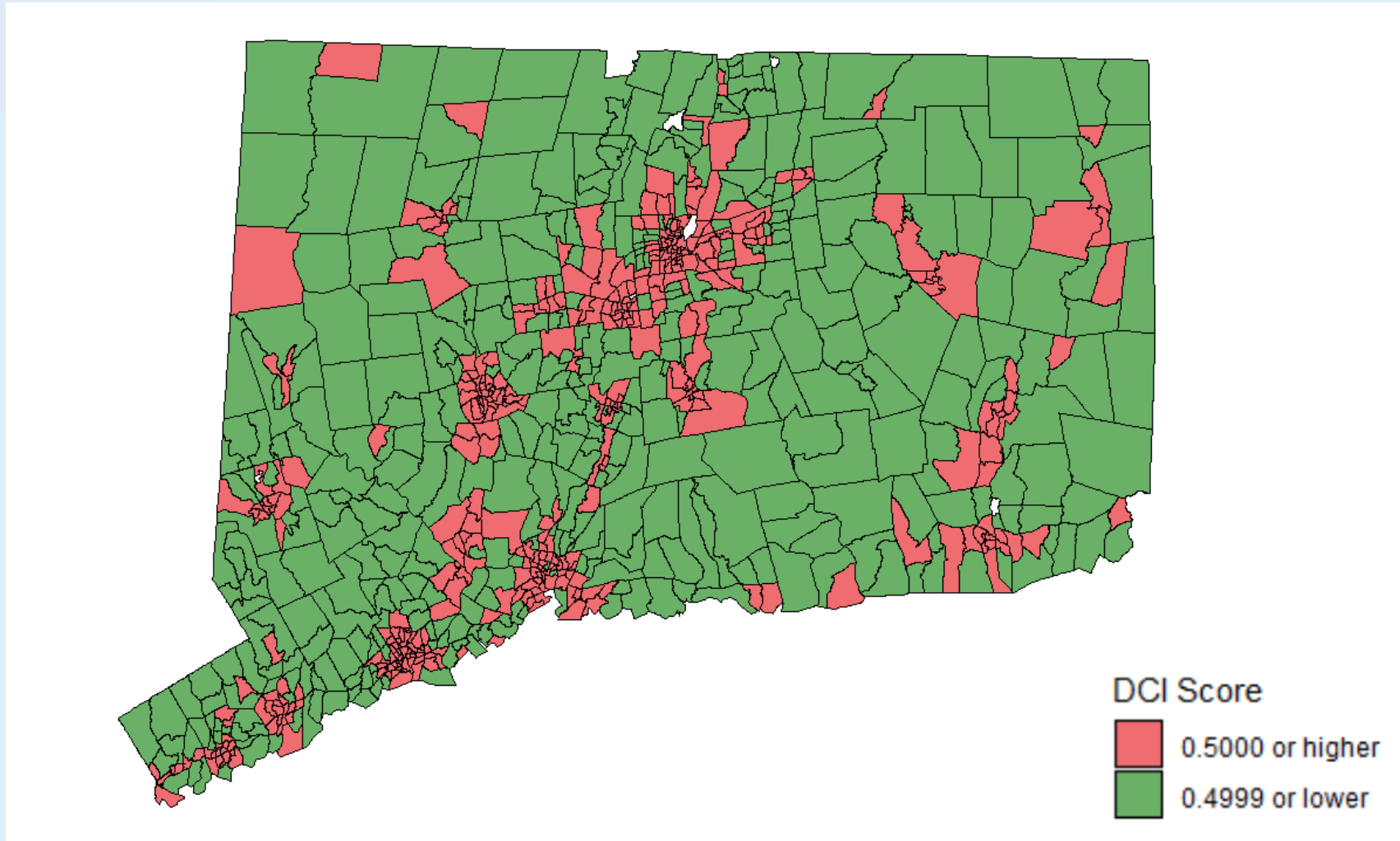
No Vehicle

Group Quarters

# Use of DCI in DWSRF

- DCI will be incorporated into the Drinking Water State Revolving Fund program starting with SFY 2025, replacing the priority point system and Median Household Income
- Each project will be assigned an DCI score
- Projects will be prioritized according to (1) the public health risks addressed and (2) the DCI score and distressed municipalities list
- Projects with a score at or above 0.5000 may be eligible for additional subsidy in the form of principal loan forgiveness through the Disadvantaged Community Assistance Program (DCAP)
  - Small systems can use an income survey to demonstrate DCAP status

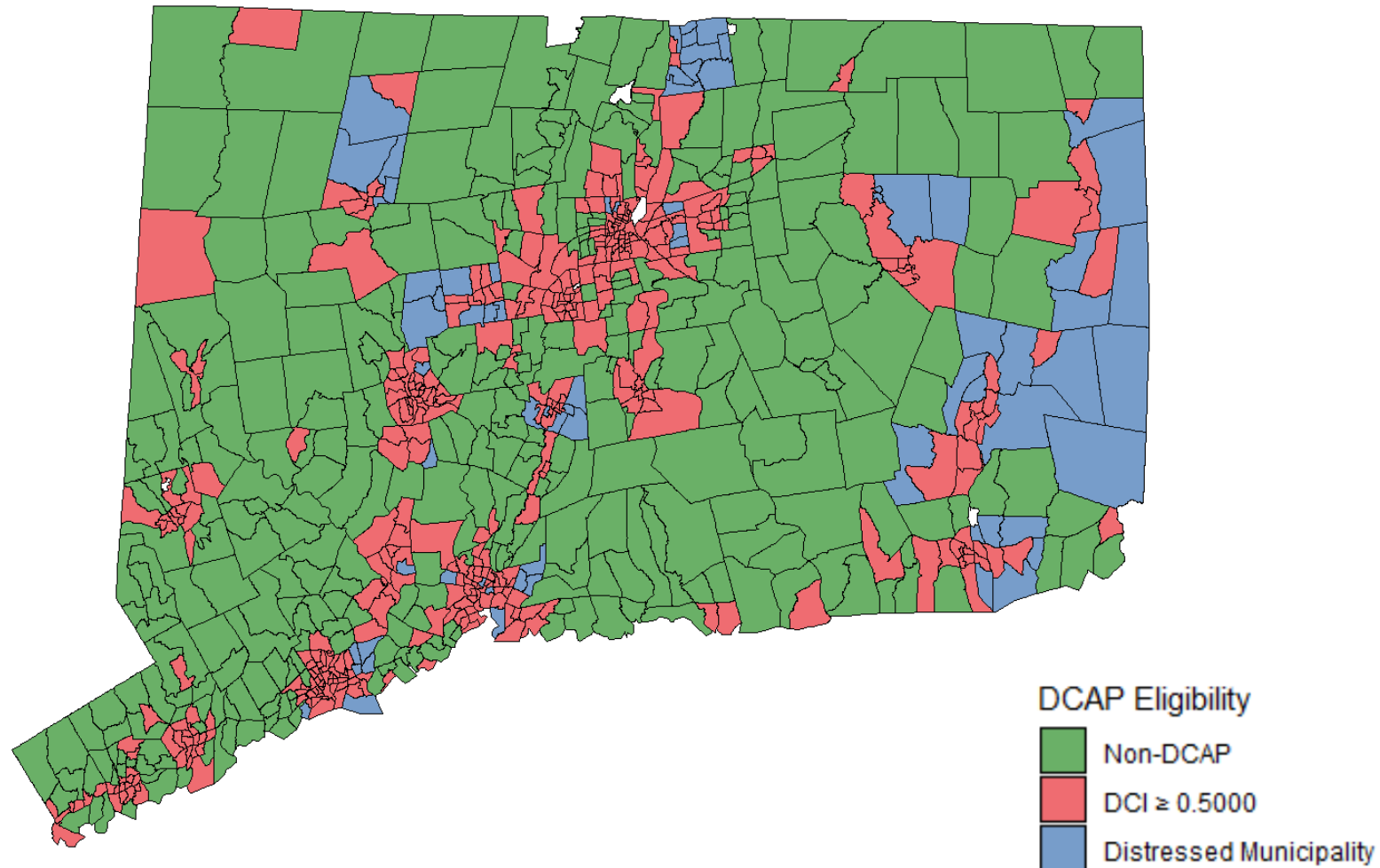
# Disadvantaged Census Tracts by DCI



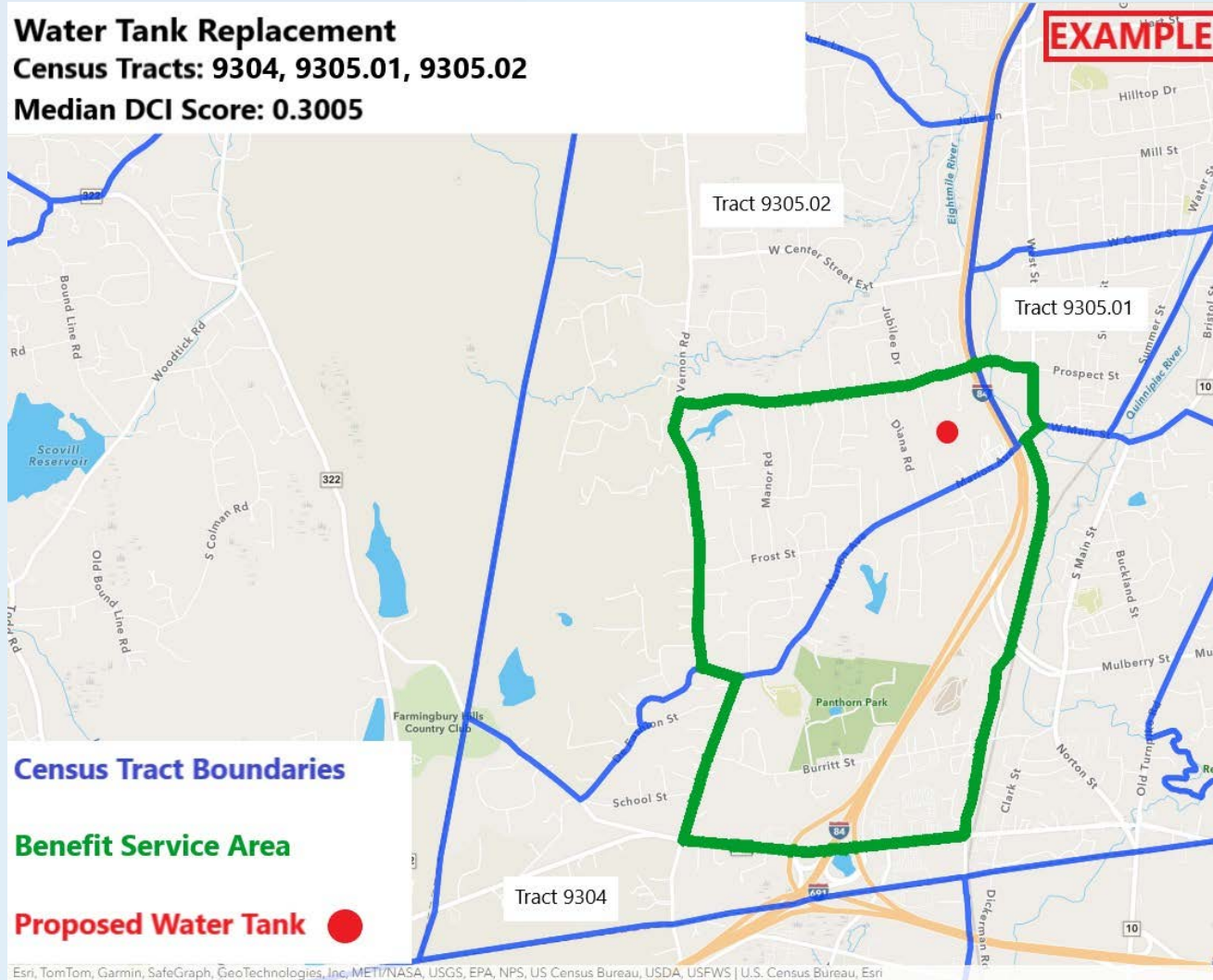


# Disadvantaged Census Tracts

## Including Distressed Municipalities



# Project Evaluation Example



| Tract Number  | DCI Score     |
|---------------|---------------|
| 9304          | 0.3005        |
| 9305.01       | 0.2391        |
| 9305.02       | 0.4065        |
| <b>Median</b> | <b>0.3005</b> |

**Tier III**

NOTE: This is an example and does not represent a real DWSRF project, real census tracts, or real scores.

# Disadvantaged Community Index GIS Mapping Tool

# Eligible DWSRF Borrowers

- **All** Community PWS – 15 residential service connections or 25 persons/day for at least 60 days per year (approximately 450 in CT)
- **Only** Non-Profit Non-Community PWS (public schools, municipal buildings, etc.) – serving 25 or more non-residential customers at least 60 days/year (public schools, municipal buildings, non-profit organizations)
- Private well owners, tribal water systems and for-profit Non-Community PWS **are not** eligible

# Types of Projects Eligible to Receive Funding

- Water Treatment Plant improvements
- Water main replacement/rehab
- Pump Station upgrades
- Storage tank upgrades
- Lead Service Line Replacements
- Groundwater wells
- Resiliency projects (security or climate change adaptation) – fencing, surveillance, relocation or redundancy of critical facilities, emergency interconnections
- Water main extensions to serve existing private well owners with impaired water quality or to consolidate small PWS

# Examples of Ineligible DWSRF Projects

- Fire protection projects
- Economic development projects – water main extensions for subdivisions or new commercial or industrial customers, capacity increases of existing facilities to support economic development opportunities

# Types of DWSRF Funds Available

- **“Base” DWSRF Program Funds:** loan and subsidy funds may be used for any eligible DWSRF project
- **“General Supplemental” BIL Funds:** loan funds may be used for any eligible DWSRF project, subsidy can only be provided to Disadvantaged Community projects
- **“Lead Service Line” BIL Funds:** may only be used for lead service line projects (inventory, construction). Loan funds may be used for any LSL project, subsidy can only be provided to Disadvantaged Community projects.
- **“Emerging Contaminant” BIL Funds:** may only be used to address PFAS or other emerging contaminants on EPA’s Contaminant Candidate Lists (Examples: Manganese, Sodium). These funds are all subsidy and 25% of the funding must go to Disadvantaged Communities or Communities serving fewer than 25,000 people.

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# Loans and Subsidy Funds

- The amount of loan and subsidy funds is specified annually in the DWSRF Intended Use Plan (IUP)
- The Draft SFY 2025 IUP is expected to be ready for public review in the summer of 2024
- Subsidy funds come from DPH's 4 federal awards under the DWSRF and BIL and are limited by the amounts of those awards
- Subsidy funds are limited by DPH's federal award amounts and are obligated to projects on a first come first served basis
- State grant funds are also available to subsidize loans for lead service line replacement projects (construction funding only)

Please send all questions to

[DPH.DWSRF@ct.gov](mailto:DPH.DWSRF@ct.gov)

Questions accepted March 8th through March 27<sup>th</sup>

Questions published on March 28<sup>th</sup>

Answers published on April 5<sup>th</sup>

Close of Call for Projects – April 26th