



### **Clean Water Fund Memorandum (2015-001)**

**TO: Connecticut Municipalities, Water Pollution Control Authorities, and Consultants**

**RE: Progress Payments on Engineering Reports funded through the Connecticut Clean Water Fund**

#### **I. PURPOSE**

To provide direction on the level of payment to be provided for engineering reports funded through the Connecticut Clean Water Fund prior to final DEEP approval of the report.

#### **II. BACKGROUND**

In general, projects whose design and construction are funded through the CWF are initiated by an engineering report (also known as a facilities plan). The engineering report is prepared to identify the severity and extent of the existing and potential pollution which may best be abated by the action of a municipality, develop and evaluate alternatives to address the pollution, recommend an alternative or combination of alternatives for implementation, develop a schedule for implementation, and provide an analysis of the environmental impacts of the recommended project (direct, indirect, economic, and social).

Under the Clean Water Fund, two mechanisms exist for funding of engineering reports: either a combination of grants and loans (generally a 20% grant with a 2% loan for the balance) or a 55% grant with the balance provided by local funds per CGS Section 22a-478(e)(2).

Progress payments to the municipality for the eligible cost of the engineering report are intended to provide reimbursement of the costs of developing that report. Eligible costs for development of an engineering report are those allowed under RCSA Section 22a-482-4(a), and must be approved in writing by DEEP prior to incurring such costs to preserve eligibility for reimbursement. Limitations on those payments are intended to ensure that adequate and timely regulatory and public review are incorporated in the planning process such that the final document is complete, comprehensive and approvable at both the local and state level.

#### **III. PROGRESS PAYMENTS**

Clean Water Fund progress payments to the municipality for the development and completion of engineering reports shall have the following limitations:

A. To exceed 50% of the DEEP-approved eligible costs, the engineering report shall have been the subject of a scoping notice published in accordance with the requirements of CEPA.

B. To exceed 90% of the DEEP-approved eligible costs, the engineering report shall have been submitted in draft form for final review by DEEP.

C. To exceed 95% of the DEEP-approved eligible costs, either a draft EIE shall have been published for public review and comment, or a Post-Scoping notice shall have been published, indicating that an EIE is not warranted.

D. To receive 100% of the DEEP-approved eligible costs, a final approval letter authorizing final payment must have been signed by DEEP. Such a letter will not be issued until the report has been revised to reflect all review comments from both DEEP as well as comments received during the CEPA process and public outreach.

#### **IV. EXCEPTIONS**

If the generic or agency Environmental Classification Document excludes the subject matter of the engineering report from CEPA requirements, then progress payments on said report shall only be bound by the payment limits in III.B and III.D

#### **V. APPLICABILITY**

The conditions contained in this memorandum are effective for all planning projects which are active on or after the date of the memorandum.

#### **VI. DEFINITIONS**

CEPA: The Connecticut Environmental Policy Act (RCSA 22a-1a-1 through 12)

CGS: Connecticut General Statutes

CWF: Connecticut Clean Water Fund (CGS 22a-475 through 482)


DEEP: Connecticut Department of Energy and Environmental Protection

EIE: Environmental Impact Evaluation

RCSA: Regulations of Connecticut State Agencies

Municipality: Any "municipality" eligible for the CWF, as defined in Section 22a-475 of the CGS.

August 25, 2015  
Date

  
Denise Ruzicka, Director  
Planning & Standards Division  
Bureau of Water Protection & Land Reuse