Janet T. Mills Governor

Jeanne M. Lambrew, Ph.D. Commissioner



Date: August 31, 2023

To: All Maine Public Water Systems and Interested Parties

From: William J. Dawson, P.E. & McKenzie Parker, P.E. Drinking Water State Revolving Fund Program

## Subject: Request for Project Applications for the 2024 Drinking Water State Revolving Fund (DWSRF)

The Maine Department of Health & Human Services (DHHS) is soliciting applications for drinking water projects to be funded through the DWSRF program. This letter is to inform you of the drinking water infrastructure funds available.

The DWSRF program is a low-interest loan program with principal forgiveness for "Disadvantaged Communities." The fund assists public water systems with the cost of improving drinking water infrastructure, including but not limited to:

- New and replacement water sources;
- Treatment and pump station construction and upgrades;
- Storage tank construction and repair;
- Water main replacements;
- Lead service line replacements;
- New or replacement service water meters; and
- Interconnections between two or more existing public water systems.

In 2024, the DWSRF will continue to have supplemental sources of funds available through the Bipartisan Infrastructure Law (BIL). Approximately \$45 Million will be available for general infrastructure projects and \$6 Million will be available for emerging contaminants (PFAS) projects and \$30 Million will be available for lead service line replacements.

Eligible public water systems include all community public water systems. Non-transient noncommunity (NTNC) public water systems that are classified as not-for-profit entities are also eligible.

Additional funding will also be available through the **Emerging Contaminants in Small and/or Disadvantaged Communities (EC-SDC) Grant Program**. 100% grants up \$4 Million will be available to eligible water system who exceed Maine's interim drinking water standard of 20 ng/L as well as the EPA's proposed maximum contaminant level of 4ppt for PFOS or 4 ppt for PFOA. Approximately \$19 Million will be available through this program. See attached handout for eligibilities. Public water systems desiring to receive financial assistance through the 2024 DWSRF must complete and submit an Application Form for DWSRF Eligible Projects **<u>by October 6, 2023</u>**. All applicants are directed to submit an online application. The application form can be found on the DWP website at <u>www.medwp.com/pws/srf.shtml</u>. Submissions must be received by DWP before 5:00 pm on Friday, October 6, 2023. Paper copies of the application are available by request for those who are incapable of utilizing the online application.

Projects will be ranked by the DWP using Priority Ranking Criteria approved by USEPA to determine which projects will receive priority for 2024 DWSRF funding. The primary objective for distributing funds is to focus on projects that will provide assistance to public water systems to maintain the health objectives of the Safe Drinking Water Act (SDWA). However, additional points may be given for projects with legal requirements, compatibility with previously identified needs, readiness to proceed to construction, and availability of co-funding with other funding agencies.

<u>**Principal Forgiveness</u>** Qualified Disadvantaged Communities may be eligible for additional Principal Forgiveness of a portion of their DWSRF loan. Eligibility is based on a community's Median Household Income (MHI) and current residential water user rates. The MHI is based on information from the U. S. Census American Community Survey (ACS). Because of the statistical sample size and survey frequencies the Department must use the ACS 5-year estimates for comparison of median household incomes.</u>

## Anticipated Schedule for the 2024 DWSRF Program Implementation

Project application deadline	October 6, 2023
Projects prioritized, placed in IUP	November 2023
Draft IUP available for public review	December 2023
Public comment meeting	January 2024
End of written comment period	•
DWSRF Grant Application submission to EPA Region I	May 2024
Grant Award by EPA Region I	•

Finalization of loan offers will subject to DHHS receipt of EPA Region 1 DWSRF Grant in 2024. Technical/administrative questions regarding the 2024 DWSRF application process should be directed to Bill Dawson at (207) 274-9003 (Cell) or McKenzie Parker at (207) 557-2255. Questions regarding loan applications and the loan approval process should be directed to Kelley Wheeler at the Maine Municipal Bond Bank (MMBB) at (207) 622-9386 or (800) 821-1113.