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Maine Department of Health and Human Services
Maine Center for Disease Control and Prevention
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TTY: Dial 711 (Maine Relay)

Date: August 10, 2021

To: All Public Water Systems and Interested Parties

From: William Dawson, P.E.
Drinking Water State Revolving Fund Program Manager

Subject: **Request for Project Applications for 2022 Drinking Water State Revolving Fund**

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

Recently the Federal *American Rescue Plan Act of 2021* (ARPA) was signed into law. Subtitle M of ARPA provides funds that may be used for drinking water infrastructure (among other uses). ARPA provides funding to cover costs incurred by state, county, and local governments must be allocated by December 31, 2024 and fully spent by December 31, 2026. There are four eligible uses of the funds in Subtitle M and one of them is:

“(D) to make necessary investments in water, sewer, or broadband infrastructure.”

Maine’s total estimated State Government share is approximately \$997 million. Governor Mills has proposed \$25 million of the State funds be used for drinking water infrastructure. The DWP is planning to target the funds at the areas of need listed below:

1. Approximately \$5,000,000 (20%) of the funds for additional subsidies for all 2021 DWSRF Projects on the Primary List evenly distributed.
2. Approximately \$8,000,000 (32%) of the funds for additional subsidies for the 2022 DWSRF Projects on the Primary List. Applications due OCTOBER 1, 2021.
3. Approximately \$5,000,000 (20%) of the funds for additional subsidies for all 2023 DWSRF Projects on the Primary List. Applications due SEPTEMBER 30, 2022.
4. Approximately \$6,000,000 (24%) will be added to the State Drinking Water Grant Fund. This fund will be used to address lead contamination mitigation, emerging contaminants, imminent threats to public health, and sustainability for small community water systems. To apply send a letter stating the need, describing the resolution and project budget.
5. Approximately \$1,000,000 (4%) of the funds are reserved for assisting with administering the State Grant program.

The early indications are still reporting significant growth in the Federal funding of the DWSRF Program Capitalization Grant in 2022 and beyond. The Maine Drinking Water Program continues to work diligently to protect public health and welfare.

The DWSRF program is a low-interest loan program that assists public water systems with the cost of improving drinking water infrastructure, including but not limited to:

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

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

Project Applications for the 2022 DWSRF season are now available. The DWP anticipates over \$34 million in funding will be available for 2022 projects.

Public water systems desiring to receive financial assistance through the 2022 DWSRF must complete and submit an Application Form for Reporting DWSRF Eligible Projects (enclosed) **by October 1, 2021**. An electronic copy of the application form can be found on the DWP website at www.medwp.com/pws/srf.shtml. Electronic submissions must be received by DWP before 5:00 pm on Friday October 1, 2021. Paper applications must be hand delivered (before 5:00 pm) or postmarked by October 1, 2021 to be considered for funding in 2022.

Projects will be ranked by the DWP using Priority Ranking Criteria approved by USEPA to determine which projects will receive priority for 2021 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.

Principal Forgiveness We expect to use a major portion of the ARPA Funding to provide Principal Forgiveness for all projects on the Primary list. Principal forgiveness may be conditional on the project’s timeline. 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.

Anticipated Schedule for the 2021 DWSRF Program Implementation

Project application deadline	October 1, 2021
Projects prioritized, placed in IUP	November 1, 2021
Draft IUP available for public review	December 1, 2021
Public comment meeting.....	January 14, 2022
End of written comment period	February 1, 2022
DWSRF Grant Application submission to EPA Region I	May, 2022

Grant Award by EPA Region I July, 2022

Finalization of loan offers will subject to DHHS receipt of EPA Region 1 DWSRF Grant in 2022. Technical/administrative questions regarding the 2021 DWSRF application process should be directed to Bill Dawson at (207) 287-6196 (274-9003 Cell) or Nate Saunders at (207) 287-5685. Questions regarding loan applications and the loan approval process should be directed to Kelley Wheeler at the Maine Municipal Bond Bank at (207) 622-9386 or (800) 821-1113.

**APPLICATION FORM
FOR DWSRF ELIGIBLE PROJECTS**

**STATE OF MAINE
2022 DRINKING WATER STATE REVOLVING FUND**

****DEADLINE FOR SUBMITTAL: Friday, October 1, 2021****

This application and all supporting documentation must be submitted to the **DWSRF Program, 11 State House Station, Augusta, ME 04333-0011**. **A separate form should be completed for each project.** If you have any questions regarding this project submittal process, please contact Bill Dawson at 287-6196 (274-9003 Cell) or Nate Saunders at 287-5685. Please indicate all available documentation (comprehensive system or facility plans, alternative analyses, pilot or engineering studies, etc.) that supports the project for which your water system is seeking DWSRF financial assistance.

For an electronic version of this form, visit the “Drinking Water State Revolving Fund (DWSRF)” page on the Maine Drinking Water Program (DWP) website at www.medwp.com. Please note: Electronic submissions must be received by DWP before 5:00 pm on Friday October 1, 2021. Paper applications must be hand delivered (before 5:00 pm) or postmarked by October 1, 2021 to be considered for funding in 2022.

TITLE OF THE PROJECT: _____

Name of Public Water System (PWS): _____

PWSID #: _____

Name and Title of Contact Person at PWS: _____

Street Address: _____

Town: _____ State: _____ Zip Code: _____

Telephone #: _____ E-Mail Address: _____

Name and Title of Engineering Consultant: _____

Company: _____

Street Address: _____

Town: _____ State: _____ Zip Code: _____

Telephone #: _____ E-Mail Address: _____

1. Current Annual residential water rate (Based upon 2000 ft³/quarter usage): _____
2. Service Area Median Household Income (MHI)¹: _____
3. Number of service connections: _____
4. Population served (#3 X 2.5): _____
5. Type of water system (More than one may apply):
 - Community: _____
 - Non-Transient Non-Community: _____
 - Transient: _____
 - Public: _____
 - Private for profit: _____
 - Private not for profit: _____
6. Does this system have an Asset Management Plan? YES: _____ NO: _____

If yes, software name or type: _____

7. Does this system have a GIS Mapping system? YES: _____ NO: _____

If yes, software name or type: _____

8. Does this system have a Comprehensive Plan (Master Plan)? YES: _____ NO: _____

What year was this plan completed? _____

Is an electronic copy of the plan available? YES: _____ NO: _____

9. Last Water Rate Increase occurred in what year? _____ Percent Increase: _____

10. Project Description: (Attach additional pages or map if necessary. Include age of existing facilities): _____

11. Purpose or need for project. Please indicate if this project is intended to address known compliance and/or public health issues. Include a discussion of the alternative analyses conducted if you are developing a new source or if the project will include substantial treatment modifications or adding new treatment. The alternatives analysis must include all feasible options including consolidation with other systems. (Attach additional pages if necessary. Attach supporting documentation):

12. Is this project recommended in a Facility or Master Plan? YES: _____ NO: _____

13. Have plans and specifications been started? YES: _____ NO: _____

Percent complete? _____

14. Will other sources (State or Federal funding agencies, or other) be used to co-fund this project with DWSRF funds? YES: _____ NO: _____

15. Estimated project schedule (Date Mo./Yr.):

Start of design: _____

Design complete: _____

Estimated bid date: _____

Start of construction: _____

Construction complete: _____

ESTIMATED DWSRF PROJECT COSTS

Project Title: _____

Public Water System Name: _____ PWSID #: _____

Project Title: _____

Total Project DWSRF Loan Requested: \$ _____

1. Construction (Include a brief description of each contract): _____ Cost Breakdown

Contract 1: _____

Contract 2: _____

Contract 3: _____

2. Preliminary Expenses (Studies): _____

3. Land & Rights: _____

4. Legal and Administration: _____

5. Engineering: _____

Administration: _____

Design: _____

Inspections: _____

Other Services: _____

6. Bond Counsel and any Short-Term Interest & Financing Expenses: _____

7. Equipment and Miscellaneous: _____

8. Contingency (Not to Exceed 20%): _____

Subtotal: _____

9. DWP Project Management Fee (1% of subtotal)* _____

TOTAL ESTIMATED PROJECT COST: _____

Applications to or known commitments of funds available from other agencies:

Agency: _____ Loan or Grant: _____ Committed(Y/N): _____

Amount: _____

Estimate Prepared By: _____ Title: _____

Date: _____ Phone: _____
