



Local Infrastructure

Updated: February, 2026



Hub:

**Clean & Drinking Water State
Revolving Funds**

How to Use This Presentation

This presentation is designed to help cities successfully navigate the **Clean Water and Drinking Water State Revolving Funds (CWSRF & DWSRF)**. You'll find practical steps, examples, and tools to help your team determine project eligibility, align with federal and state priorities, structure financing, and move from project concept to successful loan implementation

What You'll Learn

(Click a topic to go to that section)

1. **[Project Eligibility & State Requirements](#)**: Assess project eligibility, understand your state's rules, and prepare a complete, competitive application.
2. **[Federal & State Priorities](#)**: Align your project with key program goals to strengthen competitiveness for funding.
3. **[Loan Structure & Additional Subsidy](#)**: Understand SRF loan terms, repayment structures, and opportunities for principal forgiveness and other subsidies.
4. **[Threshold Application Steps](#)**: Follow a clear roadmap of the application process, requirements, and key milestones.
5. **[From Project Idea to Implementation](#)**: Review lessons from successful projects to move from concept to loan award and execution.
6. **[Key Takeaways, and Tools & Resources](#)**: Review core insights and access templates, data tools, and example materials to support each step of your SRF application process.

The Local Infrastructure Hub was a US-focused, nationwide program that helped city leaders connect with resources and expert advice to access and implement federal infrastructure funding from July 2022 to March 2026. This resource was created in February 2026 and is intended to be used as a general guide to the Clean Water and Drinking Water State Revolving Funds (CWSRF & DWSRF); cities should consult their state SRF program guidance and Intended Use Plans (IUPs) for specific requirements.

Topic 1: Project Eligibility & Finding Your State's Requirements

A video recording of this section is available [here](#)

Expected learning outcomes for this topic

Upon successful completion of this topic, city teams will be able to:

- ✓ **Understand the SRF program**, its overall functioning, and its structure.
- ✓ Understand the **distinction** between the Clean Water and Drinking Water SRF programs.
- ✓ Determine how the SRF program can **benefit their community**.
- ✓ Identify **which project types are eligible** for the SRF program.
- ✓ Find details about a **state's specific** Clean Water and Drinking Water SRF programs.

State Revolving Funds

- Largest source of federal funding for water infrastructure
- Flow of funding: Congress → EPA → States and Tribes → Cities / Water Utilities / Communities

51 Clean Water State Revolving Funds

+ 51 Drinking Water State Revolving Funds

102 State Revolving Funds

Darker blue on the map represents more SRF dollars used



State Revolving Funds

 <p>What is it?</p>	<p>Federal/state partnership that provides low-cost financing to water and wastewater systems. The program is designed to create, in each state, a perpetual source of financing for drinking water and wastewater infrastructure.</p>
 <p>How does it work?</p>	<p>The State operates the program, while the US EPA plays an administrative role (e.g., sets grant terms and conditions and provides program oversight and guidance to States).</p>
 <p>What types of assistance does it provide?</p>	<p>Loans, refinancing, loan guarantees, technical assistance</p> <ul style="list-style-type: none">• Availability of special financing terms to disadvantaged communities to help address equity and affordability (Note: This feature has evolved over the years)

EPA and State Roles

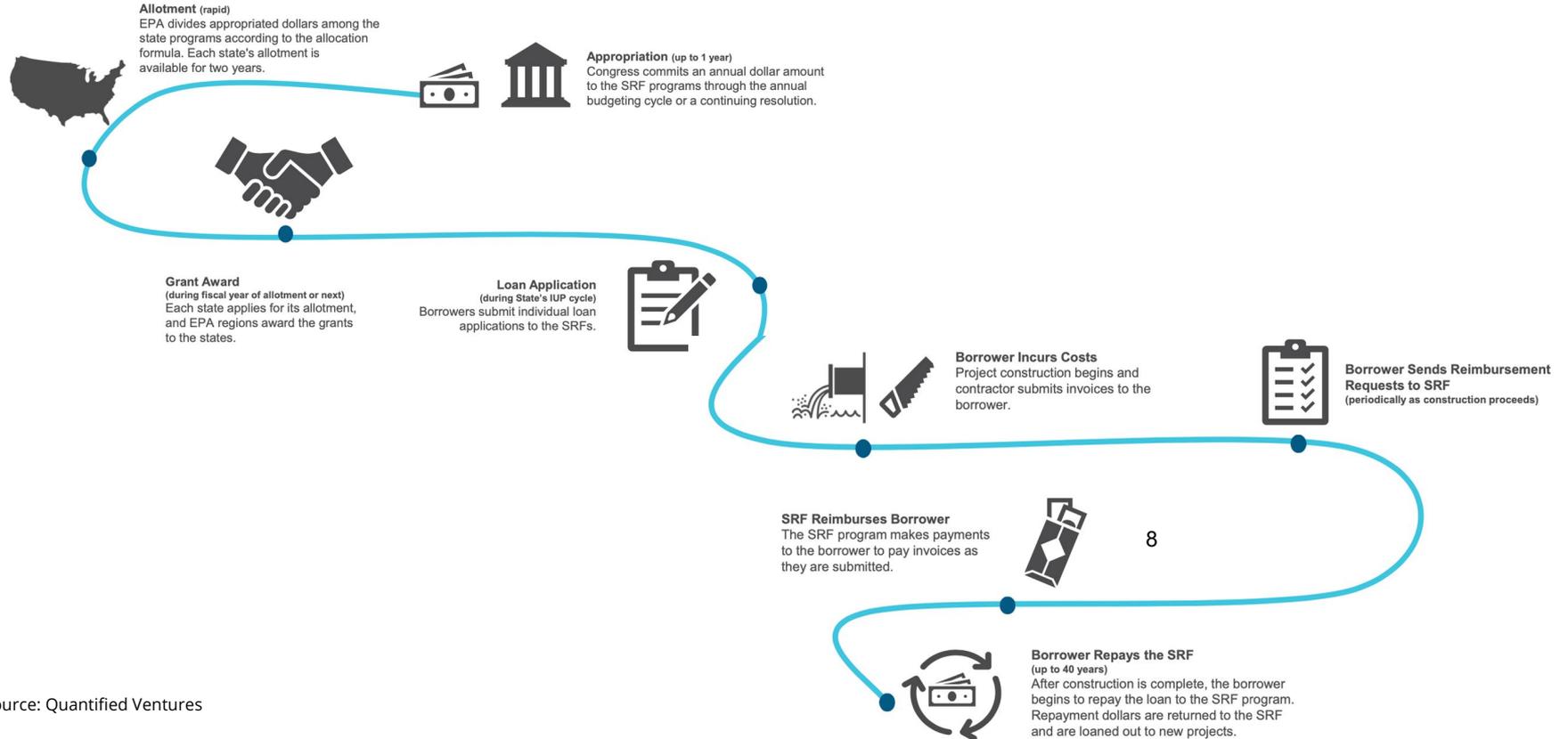
EPA

- **Awards grants to states:**
 - CWSRF allotments are based on needs and population
 - DWSRF allotments are based on a needs survey conducted every 4 years
- **Oversight:**
 - Provides oversight of state use of grant awards
- **Support:**
 - Provides workshops, fact sheets, tools
 - Eligibility and compliance questions

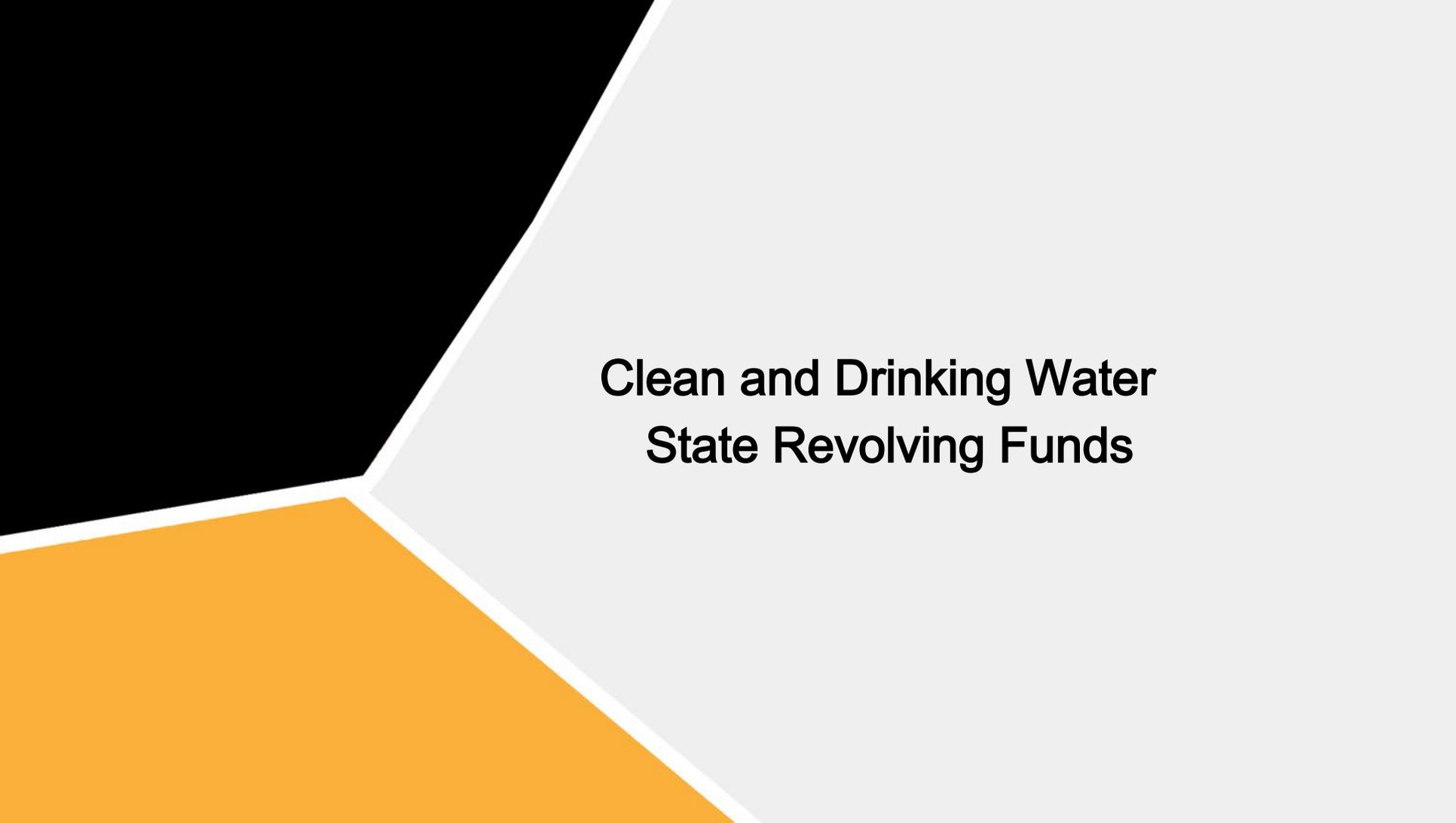
States

- Choose their own **priorities** and **select projects**
- **Design** and **manage** their own **application processes**
- Set **interest rates and terms**
- Define **green projects, disadvantaged** and **affordability criteria**
- Determine how any **additional subsidies are distributed to recipients**

Cycle of SRF Dollars



Source: Quantified Ventures



**Clean and Drinking Water
State Revolving Funds**

Purpose of the SRFs



DWSRF

The principal objective of the DWSRF is to provide **low-cost financing** to facilitate compliance with **national primary drinking water regulations** or otherwise significantly advance the **public health protection objectives** of the Safe Drinking Water Act (SDWA).



CWSRF

The principal objective of the CWSRF is to provide **low-cost financing** for projects that address **highest priority water quality needs**.

Benefits of the SRFs



**Subsidized interest rates
(below or at market rate)**



**Principal forgiveness
(grant-like dollars)**



Technical Assistance

Impact of the SRFs



DWSRF



CWSRF

SINCE 1997 PROGRAM HIGHLIGHTS

ASSISTANCE PROVIDED:



\$57.3B

with **\$28.6B** in Federal investments

ASSISTANCE AGREEMENTS: 19,560



36%

of assistance agreements went to **state-defined disadvantaged communities**

DISBURSEMENTS:



\$48.7B

Totals:

\$181 billion in funding
for water quality infrastructure projects

51,000 loan agreements
(through FY 2024)

Sources: [US EPA DWSRF 2023 Annual Report](#), [CleanWater Eligibility Graphic](#)

SRF Assistance to Date



DWSRF



CWSRF

ASSISTANCE PROVIDED:
\$4.35B

ASSISTANCE PROVIDED:
\$9.4 Billion

RANGE OF LOAN SIZES:

\$126M



\$12,500



66% of assistance agreements went to communities serving **10,000** or fewer persons



The average DWSRF loan interest rate in 2023 was **1.47%**

This lower loan interest rate results in approximately **\$969M in savings to local community rate payers** over 20 years, compared to a state market interest rate of 3.38% over 20 years

ASSISTANCE AGREEMENTS: **1,986**



\$4.7B

went to projects in communities that met state-defined affordability criteria

The average CWSRF interest rate in 2024 was

1.9%

This lower interest rate will result in approximately

\$2B

in savings to communities over 20 years, compared to a state market interest rate of 3.7%

Range of Loan Sizes:



\$8.7K to \$260M





Project Eligibility & Finding Your State's Requirements

CWSRF Eligible Entities

Eligibility varies by state and project type

Who is eligible?

(Eligibility varies by state and project type.)



Communities



**Private
Entities**



**Nonprofit
Organizations**



Citizen Groups

CWSRF Eligibilities

To be eligible for CWSRF assistance, a project must meet the criteria of one of the 11 CWSRF eligibilities

Only public agencies can receive funding for activities in bold

- 1. Construction of publicly owned treatment works**
2. Implementation of a management program established under section 319 (non-point source)
3. Development and implementation of a conservation and management plan under section 320 (estuary plans)
4. Construction, repair, or replacement of decentralized wastewater treatment systems that treat municipal wastewater or domestic sewage.
 - a. Includes the repair, replacement or sewer extension for eligible individuals via qualified nonprofit entities
5. Measures to manage, reduce, treat, or recapture stormwater or subsurface drainage water

CWSRF Eligibilities

To be eligible for CWSRF assistance, a project must meet the criteria of one of the 11 CWSRF eligibilities

Only public agencies can receive funding for activities in bold

- 6. Measures to reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse**
7. Development and implementation of watershed projects meeting the criteria set forth in section 122 (watershed pilot projects)
- 8. Measures to reduce the energy consumption needs for publicly owned treatment works**
9. Reusing or recycling wastewater, stormwater, or subsurface drainage water
10. Measures to increase the security of publicly owned treatment works
11. Assistance to owners and operators of small and medium sized publicly owned treatment work (technical assistance)

CWSRF Eligible Project Categories Examples

A hallmark of the CWSRF is flexibility.

If you can demonstrate a project protects water quality, you can likely find an eligibility category that fits.

Capital investments that protect water quality



Centralized Wastewater Treatment

Energy Conservation

Water Conservation

Stormwater Best Management Practices

Agricultural Best Management Practices

Habitat Protection & Restoration

Watershed Health & Wildfire Resilience

Silviculture

Source Water Protection

The CWSRF and “Green” Projects

In 2009, American Recovery and Reinvestment Act (ARRA) created the **“Green Project Reserve” (GPR)** and subsequent CWSRF appropriations continue the program, requiring CWSRFs to **allocate at least 10% of funds** to green projects.

GPR eligible projects are projects that incorporate:

- Green infrastructure
- Water and energy efficiency
- Other environmentally innovative activities

Includes implementation of incentive programs to conserve water

Benefits of applying for CWSRF loans for green projects:

- Priority scoring
- Reduced interest rates
- Principal forgiveness

DWSRF Eligible Entities

Eligibility varies by state and project type



- **Public or private* community water systems:** A system serving at least 15 service connections used by year-round residents, or regularly serves at least 25 year-round residents



- **Non-profit, non-community water systems** (including schools, publicly-owned campgrounds, parks, churches)



- **New community water systems** to address serious risks caused by:
 - Unsafe drinking water from wells, surface water sources within service area affected by contamination
 - TMF difficulties resolved by consolidation

*Some states do not fund private systems/private entities.

DWSRF Eligible Entities: Technical, Managerial, and Financial Capacity

Technical Capacity

- Adequate water supply
- Infrastructure in good condition
- Asset management
- Ongoing O&M
- Communications
- Ability to operate the system

Managerial Capacity

- Accountable decision makers
- Sufficient staffing
- Functioning internal organization and systems
- Effective coordination with external entities

Financial Capacity

- Sufficient revenues for fiscal stability
- Credit worthiness
- Functioning fiscal management and controls

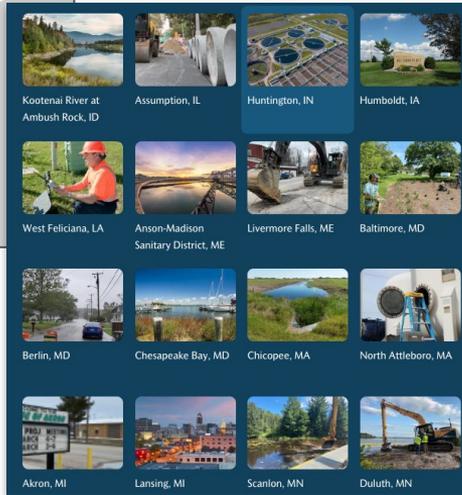
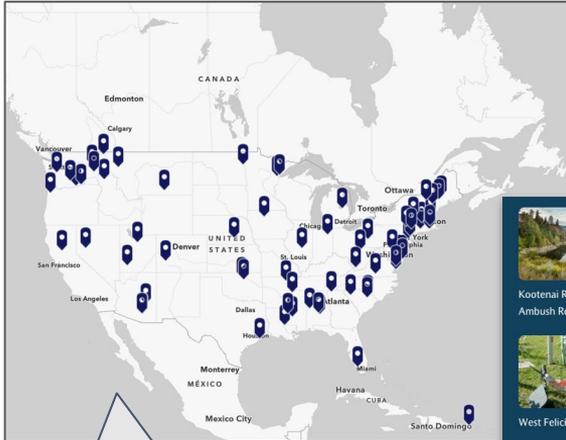
Applicants must have the technical, managerial, and financial capacity to run their water system to be eligible for DWSRF

DWSRF Eligible Projects

Capital investments that help **drinking water systems** achieve or maintain compliance with the **SDWA**



SRF Example Projects



Find more examples at the [Local Infrastructure Investment!](#)

Examples: [EPA Local Infrastructure Investment Stories](#); [DWSRF 2023 Annual Report](#); [CWSRF 2024 Annual Report](#)

Clean Water State Revolving Fund Projects

To date, the CWSRF program has provided over \$172 billion in funding to finance over 48,000 loan agreements for water quality infrastructure projects across the country.

The table below listing CWSRF Projects can be sorted on any column by clicking the column header.

Filter the list using the Project Category column, or search the list by keyword.

CWSRF Projects

Show entries

Search:

Project Category	Assistance Recipient	Project Name	State	Assistance Amount
Decentralized Wastewater Treatment	South Alabama Utilities	Construction of decentralized wastewater treatment systems (pdf) (210.8 KB)	Alabama	\$15 million
Energy Conservation	City of Albertville	Biosolids Upgrades Energy Recovery (pdf) (270.74 KB)	Alabama	\$6.28 million
Energy Conservation	City of Cullman	Treatment Plant Improvements (pdf) (308.32 KB)	Alabama	\$4.1 million

Visit [this database](#) for CWSRF project examples!

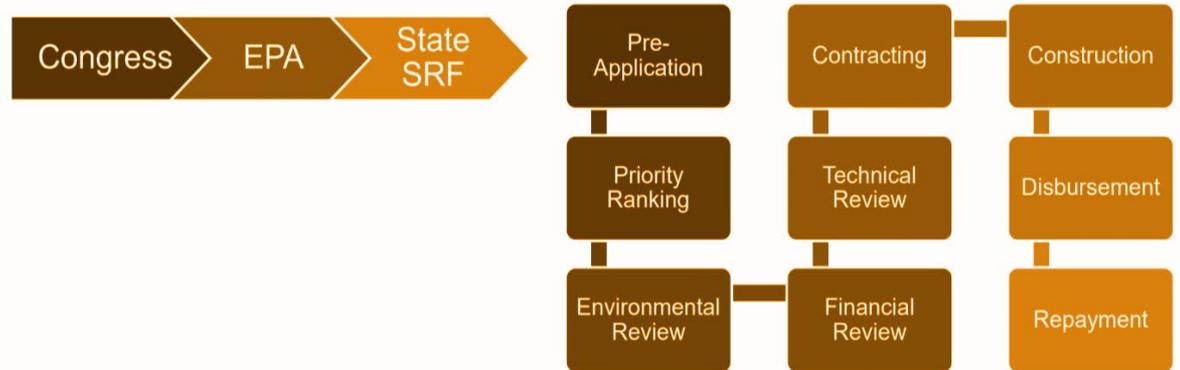


Finding Your State's Requirements

What is an Intended Use Plan (IUP)?

- States are required to create annual IUPs, outlining their program's **short and long term goals** and **implementation**.
- Reviewing your state's IUP is a good way to determine **your state's priorities** and how they align with your project.

SRF Application Process



Diving into Your State's IUP

Key areas to review:

1. Funding Sources and Uses
2. Short- and Long-Term Goals
3. Loan Rate and Terms
4. Additional Subsidy
5. Disadvantaged Community Criteria
6. Priority Ranking Criteria
7. Technical, Managerial and Financial Capacity Determination (DWSRF)
8. Technical Assistance and Capacity-Building



Get familiar with your state's approach:

Determine which agencies are administering the SRF in your state.

Your state's DWSRF or CWSRF website is a great starting point:

- DWSRF website and contacts
- CWSRF website and contacts

State DWSRF website and contact(s)				
DWSRF assistance is provided directly from state agencies. Contact your DWSRF program in your state for information on how to apply.				
STATE	CONTACT(s)	PHONE NUMBER(s)	EMAIL	WEBSITE
AL	Eric Reidy	(334) 271-7805	eric_reidy@adem.alabama.gov	State of AL Website ↗
AK	Young Ha	(907) 269-7544	young_ha@alaska.gov	State of AK Website ↗
AR	Debbly Dickson	(501) 682-0548	debra.dickson@arkansas.gov	State of AR Website ↗
AZ	Lindsey Jones	(602) 647-3865	LJones@azwifa.gov	State of AZ Website ↗
CA	Mike Downey	(916) 341-5698	Michael.downey@waterboards.ca.gov	State of CA Website ↗
CO	Alex Hawley	(720) 248- 8095	alex.hawley@state.co.us	State of CO Website ↗
CT	Rachel Nowek	(860) 838-9314	rachel.nowek@ct.gov	State of CT Website ↗
DC	Matt Gallagher	(202) 597-1040	matthew.gallagher@dc.gov	DC Water website ↗

State CWSRF Program Contacts				
CWSRF assistance is provided directly from state agencies. Contact the CWSRF program in your state for information on how to apply.				
State	Contact	Phone	Email	State CWSRF Website
Alabama	Marcus D. "Ricky" Minor	(334) 271-7805	ricky.minor@adem.alabama.gov	Alabama Department of Environmental Management ↗
Alaska	Carrie Bohan Young Ha	(907) 465-5143 (907) 269-7544	carrie.bohan@alaska.gov young_ha@alaska.gov	Alaska Department of Environmental Conservation ↗
Arizona	Lindsay Jones General	(602) 364-1324 (602) 364-1310	ljones@azwifa.gov contact@azwifa.gov	Water Infrastructure Finance Authority of Arizona ↗
Arkansas	Debbly Dickson	(501) 682-0548	debra.dickson@arkansas.gov	Arkansas Department of Agriculture ↗
California	Michael Downey Lisa Hong General	(916) 341-5698 (916) 323-5175 (916) 314-5296	michael.downey@waterboards.ca.gov lisa.hong@waterboards.ca.gov CleanWaterSRF@waterboards.ca.gov	California Water Resources Control Board ↗
Colorado	Jim Griffiths General	(303) 830-1550, Ext. 1024 (303) 830-1550	jgriffiths@cwrcda.com info@cwrcda.com	Colorado Water Resources and Power Development Authority ↗

Get familiar with your state's approach:

Identify your state's Intended Use Plan(s), by going to your administering state agency's website. You can try a web search (e.g., "California + clean water SRF + IUP + 2025").

State	Contact	Phone	Email	State CWSRF Website
Alabama	Marcus D. "Ricky" Minor	(334) 271-7805	ricky.minor@adem.alabama.gov	Alabama Department of Environmental Management
Alaska	Carrie Bohan	(907) 465-5143	carrie.bohan@alaska.gov	Alaska Department of Environmental Conservation
Arizona	Lindsey Jones	(602) 364-1324	ljonas@azwfa.gov	Water Infrastructure Finance Authority of Arizona
Arkansas	Debby Dickson	(501) 633-0548	debdickson@waterboards.com	Arkansas Department of Agriculture
California	Lisa Hong	(916) 323-5175	lisa.hong@waterboards.ca.gov	California Water Resources Control Board
Colorado	Jim Griffiths	(303) 830-1550	info@cwrsda.com	Colorado Water Resources and Power Development Authority

State Water Resources Control Board

Home | Water Issues | Programs | Grants Loans | Clean Water State Revolving Fund

What is Clean Water State Revolving Fund?

The Clean Water State Revolving Fund (CWSRF) program offers low-cost financing for a wide variety of water quality projects. The program has significant financial assets and is capable of financing projects from < \$1 million to > \$100 million. It is our vision to maintain abundant clean water for human uses and environmental protection to sustain California's future.

Latest Updates

- 10/27/2025 - [2025-26 Clean Water State Revolving Fund Intended Use Plan](#)
- 06/14/2025 - [Clean Water State Revolving Fund Intended Use Plan](#)
- 3/29/2025 - FY 2024-25 CWSRF IUP December 2024 Update
 - Updated 2024-25 CWSRF Intended Use Plan Comprehensive List
 - Updated 2024-25 CWSRF Intended Use Plan Fundable List

Application Process

- Submit Application
- Check Application Status
- View Forms & Guidance

State of California
CLEAN WATER STATE REVOLVING FUND

INTENDED USE PLAN

STATE FISCAL YEAR 2025-26
(FEDERAL FISCAL YEAR 2025 BASE PROGRAM CAPITALIZATION GRANT AND GENERAL SUPPLEMENTAL CAPITALIZATION GRANT)

WITH SUPPLEMENTAL INTENDED USE PLAN

(FEDERAL FISCAL YEAR 2025 EMERGING CONTAMINANTS CAPITALIZATION GRANT)

and
The Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1)

and
The California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (Proposition 68)

and
California Budget Act of 2024 and Budget Act of 2025 Appropriations

and
Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Bond Act of 2024 (Proposition 4)

STATE WATER RESOURCES CONTROL BOARD | DIVISION OF FINANCIAL ASSISTANCE
1001 I Street | Sacramento, CA 95814 | www.waterboards.ca.gov

Approved by State Water Resources Control Board
Approval Date: August 5, 2025 | Resolution No. 2025-022

Topic 2: Federal & State Priorities

A video recording of this section is available [here](#)



Federal Priorities

Federal Role in Setting and Achieving Priorities

- Reminder: CWSRF and DWSRF are “federal-state partnerships”
- Federal Roles
 - Appropriate capitalization grants to the states
 - Set high level rules and policy, e.g.,
 - Overall eligibilities
 - Amount of additional subsidy allowed
 - Set aside for “green” projects
 - “Buy American” rules
 - Establish implementation guidance

EPA implements the CWSRF “in a manner that preserves for States a high degree of flexibility for operating their revolving funds in accordance with each State’s unique needs and circumstances...”
40 CFR § 35.3100

Most Recent DWSRF Federal Appropriations

DWSRF Base Funding: \$1.126 billion

+

Final Bipartisan Infrastructure Law Installment: \$1.17 billion

+

Additional Funds for Lead Service Line Replacement: \$2.875 billion

Total DWSRF: \$5.171 billion

Replacing lead
service lines is a
priority!

Most Recent CWSRF Federal Appropriations

CWSRF Base Funding: \$1.639 billion

+

Final Bipartisan Infrastructure Law Installment: \$1.17 billion

Total CWSRF: \$2.809 billion

SRF Priorities Applicable to CWSRF and DWSRF

Provide below market rate interest rates

- DWSRF: 1.25% average interest rate (as of 2023)
- CWSRF: 1.9% average interest rate (as of 2024)

Award additional subsidy for communities that cannot afford loans based on—

- DWSRF: “Disadvantaged community” status
- CWSRF: “Affordability criteria”

Supporting state implementation

- EPA guidance on meeting state’s highest water quality and public health needs
- Flexible use of funds

Additional CWSRF Priorities

Provide additional subsidy for projects that implement a process, material, technique, or technology to—

- Address water-efficiency goals;
- Address energy-efficiency goals;
- Mitigate stormwater runoff; or
- Encourage sustainable project planning, design, and construction

Green Project Reserve sets aside at least 10% annual capitalization grant for projects that include—

- Green infrastructure
- Water and energy efficiency
- Other environmentally innovative activities



State Priorities

States' Role in Setting & Achieving SRF Priorities

- Align state program with federal policy and guidance
- Assess statewide needs
- Set state-specific long- and short- term goals
- Create state-specific policies to allocate funds to achieve goals
 - Ranking criteria and priority scoring
 - Set affordability criteria / disadvantaged community definitions for principal forgiveness
 - CWSRF Set aside $\geq 10\%$ for green projects, i.e. "Green project reserve"
 - Establish other additional subsidies, e.g. lower interest rates

States sometimes use eligibility surveys to evaluate statewide water infrastructure needs - consider participating even if loan not needed immediately

Common Long - and Short - Term Goals

Long Term Goals

- Fiscal integrity
- Program longevity into perpetuity
- Coordinate with sister funding programs
- Align with overarching state water quality, public health, and environmental priorities
- Invest in sustainable, climate resilient infrastructure
- Support disadvantaged communities

Short Term Goals

- Provide technical assistance
- Publish data of successful projects
- Update application processes
- Meet Green Project Reserve 10% set aside (CWSRF only)
- Pair SRF financing with complementary funding
- Collect and analyze program data to make informed improvements

Achieving State Priorities: Project Ranking Criteria



Ranking criteria are used to evaluate and prioritize projects seeking SRF financing



Many states **finance all projects** no matter the ranking criteria score



Some states where competition for limited funds is high use a **project's score based on ranking criteria to determine** which projects will be funded → low scoring projects are not financed

Each state sets its own project ranking criteria

Considerations for Aligning Your Project with Your State's Goals & Priorities

- 1 How does your project align with your state's **long- and short-term goals**?
Does your project meet all of your **state's ranking criteria**? How well does your **project score** based on your state's approach? Could your project be adjusted to **score better in key categories**?
- 2 Do you qualify for **principal forgiveness** based on your state's affordability criteria?
Does your project, or components of your project, qualify as a **"green" project eligible for your state's green project reserve**? Could you **add green elements** to access green project reserve funds?
- 3 What other **additional subsidies or incentives** does your state offer? In what ways does your project meet these categories?

Topic 3: Loan Structure & Additional Subsidy

A video recording of this section is available [here](#)

Expected learning outcomes for this topic

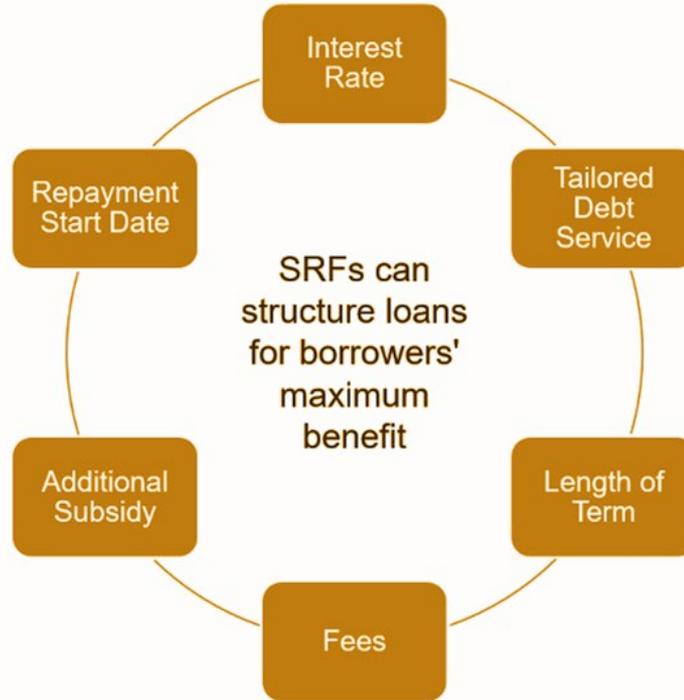
Upon successful completion of this topic, city teams will be able to:

- ✓ Understand the **components** of a SRF loan.
- ✓ Understand what **eligible costs** a SRF loan can pay for.
- ✓ Understand how to demonstrate a **project's useful life**.
- ✓ Understand what fees to anticipate and **repayment** requirements.
- ✓ Learn what types of **additional subsidies** are available to your community.
- ✓ Understand what happens **after a loan** is issued.



Core Loan Elements

Components of SRF Financing



Ultimate flexibility - can adjust repayment structure to the needs of borrower

Typical SRF Loan Terms

- ❑ May not exceed **30 years** or the useful life of the project
 - ❑ *Disadvantaged communities* — 40 years or project useful life
 - ❑ *Planning loans* — shorter, e.g., 10 years
- ❑ At or below-market interest rates
- ❑ Admin / servicing fee
- ❑ Loan recipient must establish a dedicated source of revenue for the repayment of the loan
- ❑ Debt coverage ratio
- ❑ Repayment begins up to 18 months *after* project completion

Reminder:
Loan terms will vary
by state



Eligible Loan Costs

What Costs Can a SRF Loan Pay For?

Planning & Design

Construction

Establishment /
Assessment

Operations &
Maintenance

Eligible Capital Costs

Ineligible Annual
Expenses

Source: [Navigating Green Infrastructure Maintenance with Capitalized Establishment Costs](#)

What Costs Can a SRF Loan Pay For?

Eligible Costs

- **Capital cost of the project**, including
 - Equipment purchases
 - Trees and other plantings
 - Development of outreach program
 - GSI establishment
- **Planning and design** and associated pre-project costs
- **Acquisition of land** needed to build the project
 - Use of eminent domain not allowed
- **Project related permit fees**

Ineligible Costs

- **Laboratory fees** for routine compliance monitoring
- **Operations and maintenance expenses** (e.g., salaries, benefits, supplies, rent, utilities)
- **Street restoration beyond that necessary** for installing sewers and directly related to constructing treatment works
- **Ordinary governmental or personal operating expenses**
- NPDES permit fees (CW)
- Trucked-in water (DW)
- Purchasing bottled water (DW)

Source: [Overview of Clean Water State Revolving Fund Eligibilities, 33 USC 1383: Water pollution control revolving loan funds](#)



**Demonstrating a
Project's Useful Life**

Project Useful Life Defines the Life of Your Loan

- Loan term cannot exceed expected useful life of **physical** assets
- SRF loan terms are up to 30-years or the project's useful life — whichever is shorter

Assets

- Tanks
- Distribution / collection system
- Buildings
- Equipment
- HVAC

Non-Assets

- Demolition
- Engineering
- Administration
- Legal
- Land Acquisition

Reminder:

Some DACs may be eligible for 40-year loan, but “useful life” still determines ultimate repayment period.

Demonstrating Project Useful Life

- Expected useful life is **usually based on the manufacturer's recommendations** adjusted per specific conditions and experiences of your system
- Showing a project's useful life is **typically done by an engineer** through a preliminary engineering report
- Some physical assets have **categorical useful life determinations** set by EPA, state, or utility

“Useful Life” means the estimated period of time over which the funded facility will serve its intended purpose in a cost- effective manner from the estimated initiation of operation date.

Typical Equipment Life Expectancy

Estimated Useful Lives

Asset	Expected Useful Life (in years)
Intake Structures	35-45
Wells and Springs	25-35
Galleries and Tunnels	30-40
Chlorination Equipment	10-15
Other Treatment Equipment	10-15
Storage Tanks	30-60
Pumps	10-15
Buildings	30-60
Electrical Systems	7-10
Transmission Mains	35-40
Distribution Pipes	35-40
Valves	35-40
Blow-off Valves	35-40
Backflow Prevention	35-40
Meters	10-15
Service Lines	30-50
Hydrants	40-60
Lab/Monitoring Equipment	5-7
Tools and Shop Equipment	10-15
Landscaping/Grading	40-60
Office Furniture/Supplies	10
Computers	5
Transportation Equipment	10

Note: These numbers are ranges of expected useful lives drawn from a variety of sources. The ranges assume that assets have been properly maintained.

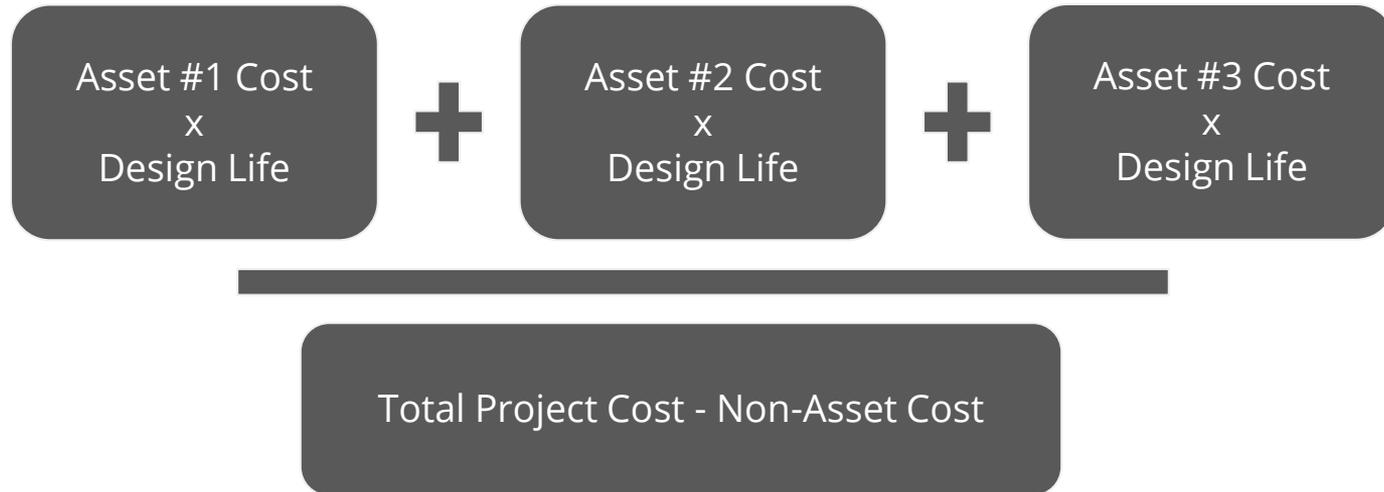
**Estimates from EPA
Asset Management
Handbook for Small
Systems**

Source: [EPA Asset Management Handbook for Small Systems](#)

Calculating Project Useful Life

Projects with multiple physical assets with varying useful life can use a weighted average

Weighted Average Useful Life





SRF Financing Fees

What Fees Can I Expect?

In addition to collecting principal repayments and interest on loans, some states charge recipients other fees when providing SRF assistance.

Fees can be grouped into one of two categories:

1. Included within the principal for the SRF loan
2. Other charges not part of the loan principal

Check your state's SRF fee list.

In some states, like New Mexico, the CWSRF program does not charge administrative fees on loans.

Fee Repayment

The amount borrowed to finance the fee is rolled into the total amount of the loan.

Loan repayments consists of:

- Principal amount borrowed for construction
- Amount borrowed to finance the fee, and
- Any interest charged on the loan

Costs of issuing bonds that are initially paid from bond proceeds are not restricted even if those costs are subsequently allocated to the borrower and included in the principal loan.



Repayment Requirements

What Are the Repayment Requirements?

SRF loans must be secured by an identified, dedicated source of revenue

At the application stage, applicants must demonstrate dedication of specific revenues by adopting:

- Reimbursement Resolutions
- Authorized Representative Resolution

Check your state's application packet for template resolutions!

In some states, like California, use of the template is required.

What Are the Repayment Requirements?

Sample Legal Opinion

I am the duly appointed City Attorney for the City of _____. The City proposes to borrow \$_____ from the State Revolving Fund for construction of City drinking water treatment facilities. The loan will be secured by the net revenues of the City's water system and the pledged revenues are legally available to pledge. The City of _____ has the legal authority to increase rates to ensure repayment of the loan.

Applicants will also need a Legal Opinion from general counsel or bond counsel:

- Committing revenues
- Identifying prior liens

If you have prior liens, be sure to check your state's debt coverage requirements.

Repayment Funds: What Dollars Can Be Used?

Federal law requires that CWSRF loan recipients establish a **“dedicated source of revenue for repayment of the loan which is consistent with local ordinances and State laws”**

Eligible Repayment Funds

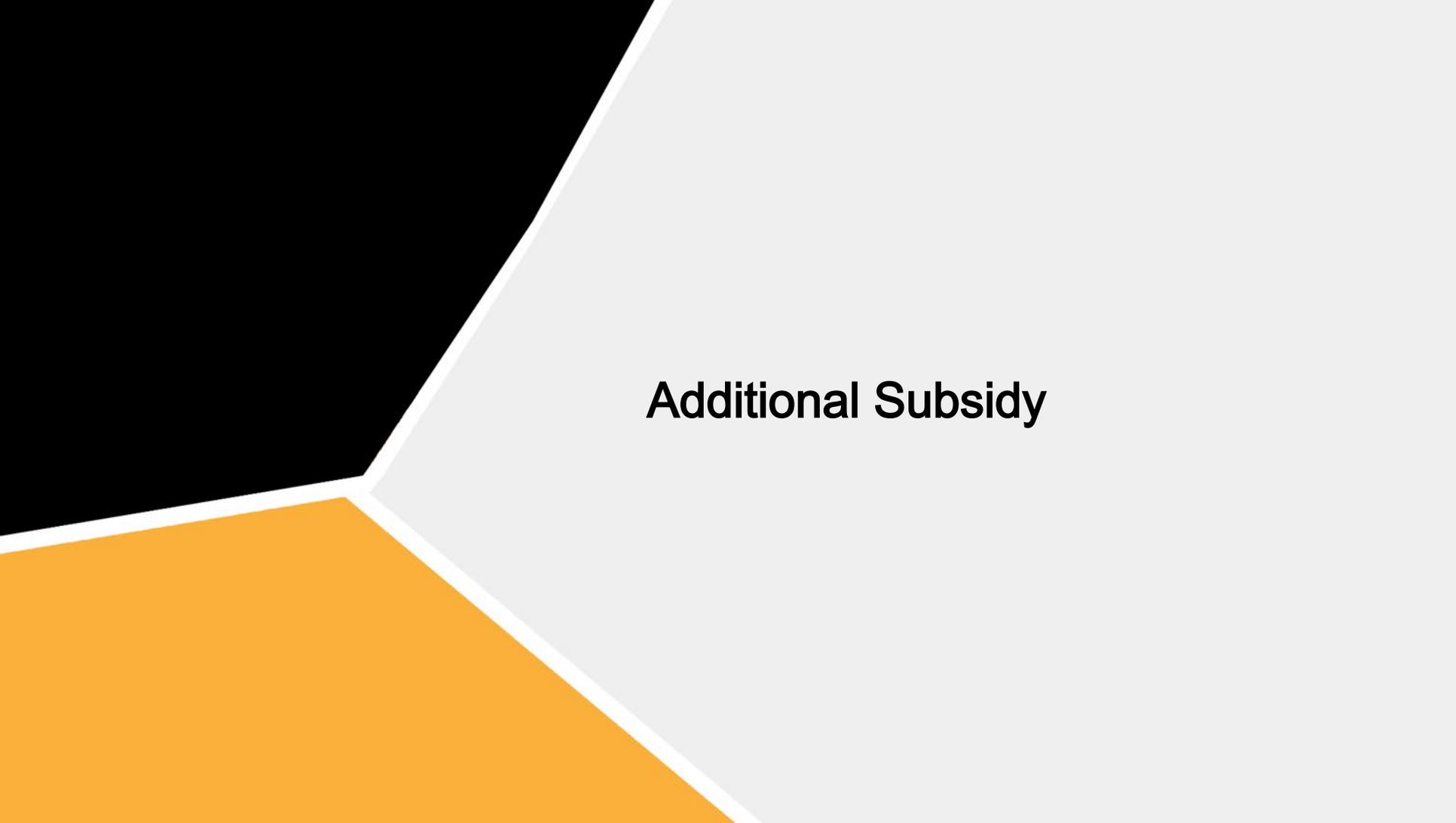
- Enterprise fund revenues, e.g., rates
- Assessments
- Special taxes

Ineligible Repayment Funds

- Property taxes
- Sales taxes
- Income tax

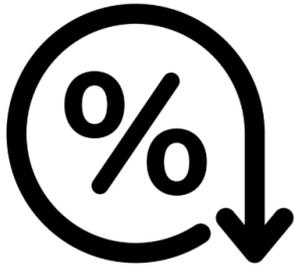
Let us know in the chat:

What types of dedicated revenues is your city authorized to establish to pay for water system improvements?



Additional Subsidy

Benefits of the SRFs



**Subsidized interest rates
(below or at market rate)**



**Principal forgiveness
(grant-like dollars)**



Technical Assistance

Options for Lowering Your Interest

Rate

Your state may offer additional ways to reduce interest rates!

Affordability Considerations

- **Rate reductions based on:**
 - Income
 - Unemployment
 - Population
 - Additional indicators (e.g., local user rates)
- **Example - Texas**
 - 0% loans available to eligible small/rural disadvantaged communities

Project Types

- **Lower rates for:**
 - Green stormwater infrastructure, water use efficiency, energy efficiency
 - Lead Service Line Replacement and Emerging Contaminant Projects
- **Example - Colorado**
 - 2.75% for up to first \$3M and 15% Green
 - 1.75% for up to first \$3M and 20% Green

Source: [Texas Drinking Water State Revolving Fund \(DWSRF\) Loan Program](#); [Colorado State Revolving Loan Fund Information](#)

Principal Forgiveness

Principal loan forgiveness is the portion of SRF financing that does not need to be repaid (“grant-like dollars”)

Determining Amount Forgiven

- Under BIL, **49% of general funds and 100% of emerging contaminants funds must be awarded as additional subsidy**
- Amount determined during loan approval process — not always part of application phase
- State may cap loan amount eligible for principal forgiveness

Eligible projects

States **may award principal forgiveness** based on:

- **Affordability** issues
- **Water or energy efficiency goals**, mitigating stormwater runoff, or encouraging **sustainable project planning**, design, and construction
- Emerging contaminants
- Other state priorities

Understanding your state’s affordability criteria and determinations is key to accessing principal forgiveness.

Source: [Funding and Financing Water Infrastructure with State Revolving Funds Fact Sheet](#); [Bipartisan Infrastructure Law: A Historic Investment in Water](#)

Savings from SRF Interest Rates & Additional Subsidy

Example: Loan Terms

- \$5 million project
- 30-year loan
- 25% principal forgiveness
- 1.5% interest

\$1.25 million in “grants” and saves \$3.3 million in interest

What is the Value of an SRF Loan?

Subsidized Loan Calculator

Using the parameters below, calculate the cost of a subsidized loan versus a traditional market based loan. The value at the bottom of the dashboard represents the “grant equivalent” of the subsidized loan given the parameters selected from the dropdowns and average market interest rate. The calculations made and

Estimated Project Cost	Loan Term (in Years)
<input type="text" value="\$5,000,000"/>	<input type="text" value="30"/>
Subsidiz... <input type="text" value="1.5%"/>	Principal Forgiveness
	<input type="text" value="\$1,250,000"/>
Market Rate for Loan	
<input type="text" value="4.5%"/>	<input type="text"/>

Based on These Inputs, How Much Could You Save Compared to a Commerical Loan?

Grant Equivalent
(Principal Forgiven)

\$1,250,000

Interest Savings Over the
Life of the Loan
(in Nominal Dollars)

\$3,274,323

Technical Assistance and Capacity - Building

Many states provide access to additional **technical assistance and capacity-building**, such as:

- [Planning, Design and Engineering Grants](#) (CO)
- [Wastewater Circuit Riders](#) (FL)

This support can often help address initial design and engineering needs.

▼ State revolving fund planning grant

▲ State revolving fund design and engineering grant

Background

Design and engineering grant applicants will be considered with project needs assessment submissions and awarded to disadvantaged communities.

Design and engineering grant amounts depend on the size and need of a project. The grants assist with costs associated with eligible design expenditures. Up to 80 percent of the grant can be reimbursed before the SRF loan application is received. The final 20 percent will be reimbursed upon SRF loan execution.

Eligibility

- Applicant must be a government entity.
- The project is on the current year's project eligibility list.
- The population is 10,000 or less.
- Entities meet one of the three data scenarios that test primary factors, and if necessary secondary factors for determining disadvantaged communities. Factors are found in the defining disadvantaged communities document.

Colorado's SRF Planning Grant and Design and Engineering Grant



**Affordability and
Disadvantaged
Community Criteria**

SRF Affordability and Disadvantaged Community Criteria

Each state defines disadvantaged communities and affordability criteria eligible for additional subsidy for its programs, in accordance with federal guidance and requirements.

DWSRF: Disadvantaged Community (DAC) Criteria

Under the Safe Drinking Water Act (SDWA), a “disadvantaged community” is defined as “the service area of a public water system that meets affordability criteria established after public review and comment by the State in which the public water system is located.”

State DAC definitions establish criteria for providing additional financial assistance through DWSRF.

CWSRF: Affordability Criteria

The **Clean Water Act (CWA)** specifies that State Revolving Funds base their affordability criteria on:

- 1) Income data
- 2) Unemployment data
- 3) Population trends, and
- 4) Other data determined relevant by the state

Understanding DWSRF Disadvantaged Community Criteria

Criteria to define disadvantaged communities rely on a variety of metrics:

- **Most common:** *Median household income, water rates, unemployment rate, poverty rate, population growth rate*
- **Other key metrics:** *Age composition, system size, system debt, municipal bond rating, property value*

Check your state's Intended Use Plan or contact your state's Administering Agency for details.



A New Era for the Drinking Water State Revolving Funds:

Identifying Ways to Better Assist Disadvantaged Communities



DWSRF Disadvantaged Community Criteria: Ohio

- Ohio defines a DAC as a **small community** (of 10,000 or less) that also meets any 3 of the 4 following criteria focused on:
 - income,**
 - poverty level,**
 - unemployment rate,** and
 - the **affordability of water and sewer rates.**
- Qualifying communities are eligible for **principal forgiveness** and **reduced (0%) interest rates.**



For PY 2025, a disadvantaged community candidate is a Public Water System (PWS) with a service population below 10,000, a nominated project with demonstrated health-related factors, **and** that meets any three of the four socio-economic benchmarks identified below.

General Criteria	Program Value
Service Area Population	Less than 10,000
Documented human health-related factors	Presence of indicators
Socio-Economic Benchmarks	Program Value
Median Household Income (MHI) less than or equal to statewide average	≤ \$66,990
Individuals with income below 200% of poverty level greater than or equal to statewide average	≥ 29.6%
Unemployment Rate (civilian) greater than or equal to statewide average	≥ 5.01%
Water and sewer rates compared to MHI greater than or equal to statewide benchmark	≥ 1.44%

DWSRF Disadvantaged Community Criteria: Ohio

- Note the **specific data requirements** (e.g., data sources, years of data) for determining if a community qualifies as a Disadvantaged Community.
- If a public water system does not meet these criteria, a **project specific evaluation** may be conducted to determine if the project will benefit a disadvantaged area.



Data Sources:

Service Area Population is taken from USEPA's Safe Drinking Water System Information System (SDWIS)².

For socio-economic benchmarks, the most recent American Community Survey 5-year Estimates data is used for MHI, poverty rate and unemployment rate. The information below indicates the data table(s) used along with any calculations for a percentage. The description of each item below is noted as follows: table number, table title, ACS dataset.

MHI

B19013, Median Household Income in the Past 12 months, 2022 ACS 5-year Estimates

Statewide Average MHI = \$66,990

Poverty Rate

S1701, Poverty Status in the Past 12 months, 2022 ACS 5-year Estimates

Individuals with Income Below 200% of Poverty Level

$(S1701_C01_042E / S1701_C01_001E) * 100\%$

*Statewide Average = (3,393,638 / 11,472,644) * 100*

Statewide Average = 29.58%

Unemployment Rate

B23025, Employment Status for the Population 16 Years and Over, 2022 ACS 5-year Estimates

Unemployed Population 16 Years and Over in Civilian Labor Force

$(B23025_005E / B23025_003E) * 100\%$

*Statewide Average = (300,192 / 5,987,111) * 100*

Statewide Average = 5.01%

Understanding CWSRF Affordability Criteria

Four Key **Affordability Criteria***: (CWA Section 603(i)):

1) Income data, such as:

- Community MHI is < 80% of State MHI
- Communities with \$25,766 or less upper limit of Lowest Quintile Income
- Communities with \geq 30.9% Population Living Under 200% of Poverty Level
- Community with census tracts that have a poverty rate \geq 20%

2) Unemployment data, such as:

- Communities with \geq 3.4% Unemployed Population \geq 16 years in Civilian Labor Force



**States have the flexibility to determine which of the required criteria are most relevant to their CWSRF program*

CWSRF Affordability Criteria Guidance (cont'd)

Four Key **Affordability Criteria***: (CWA Section 603(i))

3) **Population trends**, such as:

- Communities with \geq 12.1% Vacant Households

4) **Other data** determined relevant by the state, such as:

- Community in a county with a **Social Vulnerability Index** score higher than 0.80
- Combined sewer and drinking **water costs** > 2% of the 20th percentile household income
- Communities with 10% of **failing decentralized systems**
- Communities with \geq 11.7% Population Receiving **Food Stamps / SNAP Benefits**
- Communities with Lagoon systems not achieving **water quality** standards



**States have the flexibility to determine which of the required criteria are most relevant to their CWSRF program*

CWSRF Disadvantage Community Criteria: Arizona

Disadvantaged Community Designation

WIFA Policy #: III.6

Purpose:

Outline the criteria to designate a drinking water system or wastewater applicant as a Disadvantaged Community and define the additional benefits available to Disadvantaged Communities.

Policy:

Section 1: Disadvantaged Community Designation

The Board may designate an applicant as a Disadvantaged Community if the applicant satisfies one of the following:

1. The community is a designated “colonia” community through the federal government, or
2. The community received 50 or more Local Fiscal Capacity points on the DWRF or CWRP PPL.
3. The community has an Area MHI of 90% or less of the State MHI.

Section 2: Disadvantaged Community Financing Options

For applicants who are designated by the Board as a Disadvantaged Community, the following financing options may be considered:

1. Additional subsidy in the form of forgivable principal as outlined in Procedure III.20.1.
2. If the applicant fails to meet the applicable WIFA financial capability requirements as defined by WIFA Policy III.7 or III.8:
 - a. WIFA may reduce the Combined Interest and Fee Rate (CIFR) to a rate lower than would otherwise apply, but not below the minimum rate of 1.0%, and/or provide additional forgivable principal.

In Arizona:

- A Disadvantaged Community is defined based on: median household income, local fiscal capacity, and “colonia” designations
- Projects designated as Disadvantaged Communities are eligible for principal forgiveness and /or lower interest rates

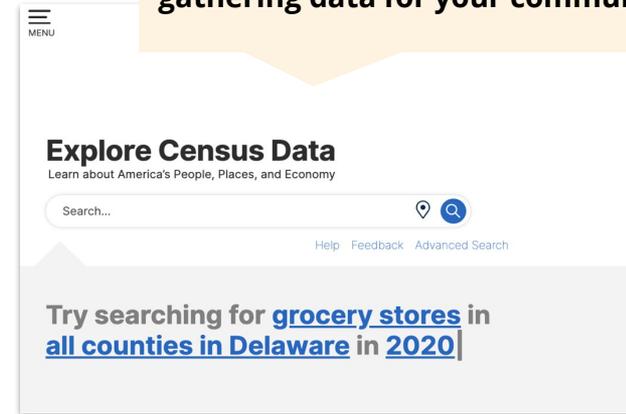
To access state-relevant information, please visit your state’s SRF website.

Using Data to Determine Affordability and DAC Status

Data Sources:

- Check the IUP or affordability/DAC documentation for specific data sources.
- For the Ohio DAC criteria: “..the most recent **American Community Survey** 5-year Estimates data is used for MHI, poverty rate and unemployment rate.” This data is publicly available on the [Census Bureau website](#).

Sign up for office hours to get support gathering data for your community!



[Census Data Explorer](#)

A searchable database of all Census products and tables. A common data source for affordability criteria for SRF applications. Check your state's IUP for specific data sources to reference within the Data Explorer.



What Happens After Your Loan Is Issued?

What happens when you get a loan?

Design & Construction Approvals

- State admins review and approve engineering design plans
- May include asset management plan approval

Bidding & Contracting

- Hold competitive bid process
- State may require pre-bid meeting

Signage

- Post signage to increase transparency and make the effectiveness of SRF funding visible to the public

Disbursements

- Loan funds disbursed once construction begins
- Costs reimbursed when tasks completed

Check Your State's Forms For...

Cost-Effectiveness Guidance

- To the maximum extent practicable, applications must select a project or activity that **maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation**, taking into account:
 - Construction costs
 - Operating and maintaining costs
 - The cost of replacing the project/activity
- Assistance recipients must provide certification **before final design or construction**

Tip: Look for any state-specific guidance or methodologies

Check Your State's Forms For...

Procurement Practices

Key requirements:

- Public announcement
- Evaluation and ranking based on publicly available criteria
 - Selection must be based on *qualifications* rather than cost/pricing

Selection process:

- Discussion with *at least 3 firms*
- Negotiation with most qualified firm; move onto next if price cannot be agreed upon

Tip – Search for guidance documents related to: Request for Qualifications (RFQ), Qualification-Based Selection (QBS), A/E Procurement, etc.

Check Your State's Forms For...

Bidding Specifications

Examine the following certifications:

- [American Iron & Steel](#)
- [Build America, Buy America](#)
- [Davis Bacon / prevailing wages certifications](#)
- [Minority and Women's Business Enterprise Certification](#)
- [Disadvantaged Business Enterprise Program](#)

Tip: Find your state's bidding process checklist for full rundown of required documents and processes

Check Your State's Forms For...

Signage

- EPA, SRF, and State Agency logos
- Project title and description
- Funding number & sources
- Multiple languages for accessibility
- States will define:
 - Sizing
 - Colors
 - Material

See the EPA's [Guidelines for Enhancing Public Awareness of SRF Assistance Agreements](#) memo for more information

Tip: Find your state's guidance and use the provided templates

Check Your State's Forms For...

Disbursement Requests

- Costs types
- Invoice records
- Prior disbursements
- Amounts requested
- Signed by authorized representative

Tip - Your state and loan agreement will specify allowable timing and submission process.

Single Audit

- Required for projects spending >\$750,000 in a fiscal year
- Organization-wide financial statement
- Verify compliance with Federal award requirements CWSRF program
- Must be performed by an independent auditor
- City's key audit responsibilities:



**Procure audit
(hire the Auditor)**



**Provide the Auditor with access
to necessary documents**



**Prepare financial statements,
including SEFA**



**Follow-up and take corrective
action on audit findings**

Certifying Civil Rights Act Compliance

- [EPA Form 4700-4](#)
 - Title VI of the Civil Rights Act of 1964 Compliance Certification
 - Required for all CWSRF projects
- Some EPA Tips for Completing Form 4700-4
 - Answer every question, put “NA” if not applicable
 - Listed Point of Contact must be able to answer questions about the form info – pick some who’ll be available and ready
 - Grievance procedures should relate to how your city handles discrimination complaints

Disparate -impact or cumulative -impact - analysis requirements under Title VI do not apply in Louisiana

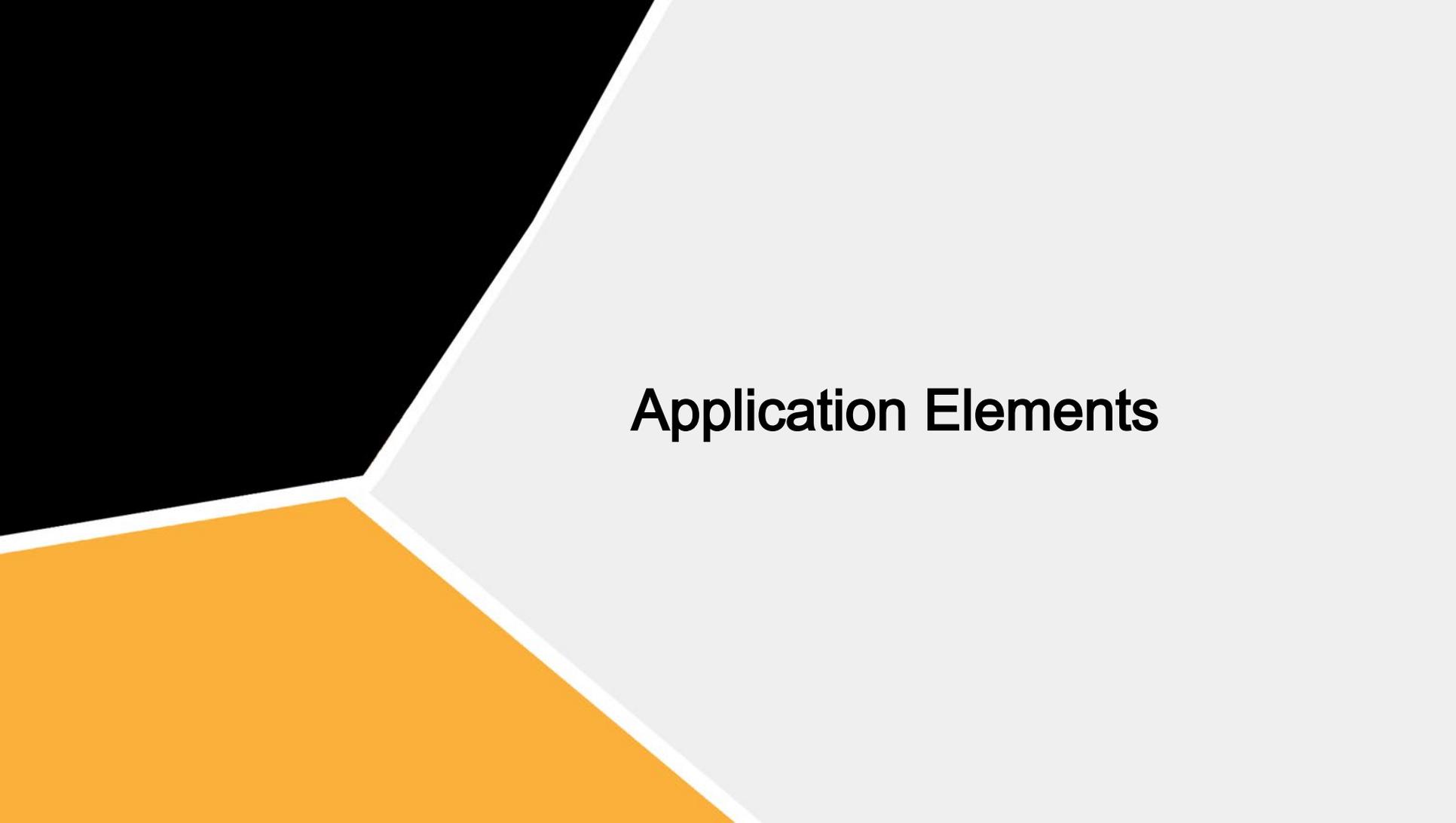
Topic 4: Threshold Application Steps

A video recording of this section is available [here](#)

Expected learning outcomes for this topic

Upon successful completion of this topic, city teams will be able to:

- ✓ Understand the **basic components** of a SRF application.
- ✓ Find their **states SRF point of contact**, website, application forms, and supporting materials.
- ✓ Understand the **federal cross-cutting requirements**.
- ✓ Become familiar with resources and strategies for **engaging the community** throughout the project planning and implementation.

The background features a large white area on the right and a black area on the top left. A diagonal white line separates these from a bright orange area at the bottom left. The text 'Application Elements' is centered in the white area.

Application Elements

Application Overview

- Project Plans
- Cost Estimates
- Environmental Review (CatEx, EA, or EIS)
- Engineering Reports
- Financial Statements
- Supporting Documentation
- Application Forms
- Community Engagement Requirements
- Review Application Checklist

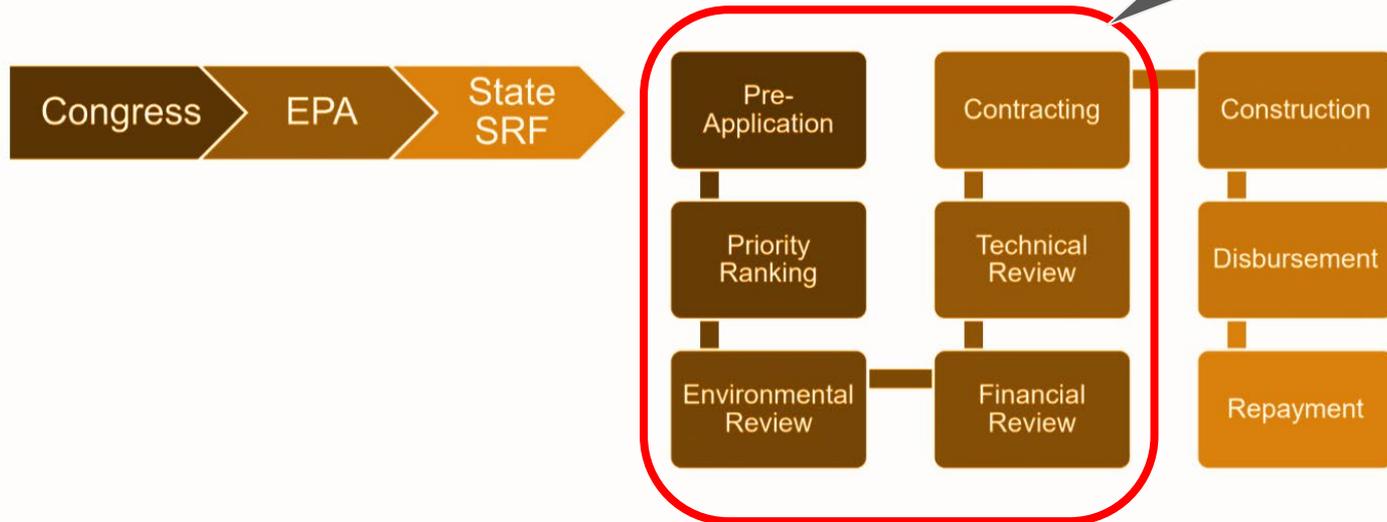
Note that some states have a step *before* submitting an application, e.g., eligibility survey, intake call, etc.

For example, Texas requires a [Project Information Form](#) to be completed before you can be invited to apply.

What Is Included in a SRF Application?

- Pre-application survey, intake, and/or project listing
- State application information
- Priority ranking and technical review
- Bidding, contracting, and other procurement steps
- Environmental review and financial supporting documentation

Application covers these 6 phases of the SRF process



Pre- Application Survey, Intake, or Project Listing



States typically require an initial pre-application survey, intake call, or project listing



Pre-application material often submitted via state's SRF online portal or form

Each state has its own terminology for their pre-application process or form

State Application Information

- What You'll Need to Know

Project Specific Info

- **Project Description**
 - Purpose, e.g., reduce combined sewer overflows
 - Type, e.g., green stormwater infrastructure
 - Planning and design status
- **Project Costs & Budget**
 - Estimated project cost
 - Loan amount requested

General Utility & System Info

- **Utility Financial Information**
 - Annual revenues
 - Projected revenues
 - Existing debt
- **Water System Information**
 - Clean Water Act permits
 - Number of customers
 - Extent of service area
- **Community Demographics**
 - Median household income
 - Employment rates
 - Population trends



Federal Requirements

**(Environmental Review, Davis
Bacon, BABA, AIS)**

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Environmental Review

Environmental Review - Does Your Project Need to Meet Federal Requirements?

Overview:

- An **environmental review is required** for all construction projects
- Federal crosscutters

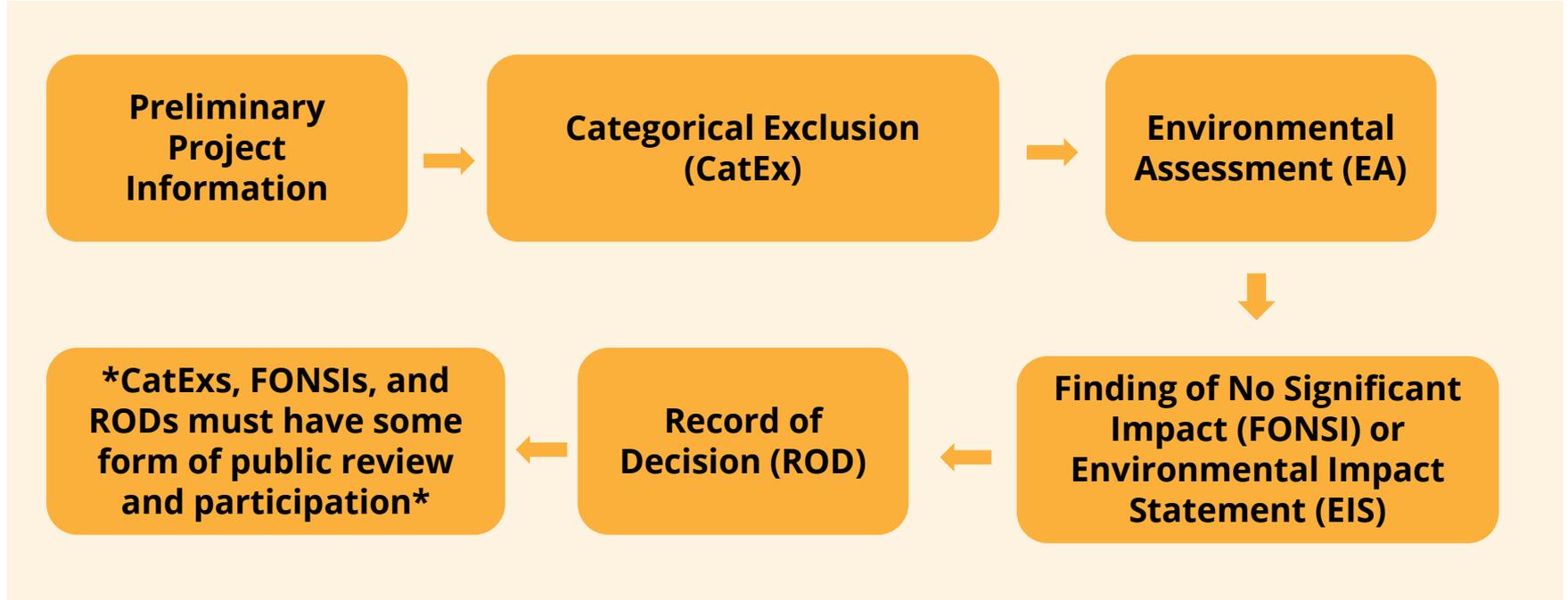
Levels of Environmental Review:

- Categorical Exclusion (CatEx)
- Environmental Assessment (EA) / Finding of No Significant Impact (FONSI)
- Environmental Impact Statement (EIS) / Record of Decision (ROD)

Environmental Review Checklist:

- Check your state requirements

Environmental Review - The Process



Environmental Review - Can You Qualify for an Exclusion?

- Fill out your state's **environmental review checklist/template**
 - The checklist outlines the information needed to initiate the environmental review process and serves as a request for a Categorical Exclusion
- State agency will review the checklist and notify applicant of the **type of environmental review required**, if any:
 - Environmental Assessment (EA) → Finding of No Significant Impact (FONSI)
 - Environmental Impact Statement (EIS) → Record of decision (ROD)



Labor and Contracting Requirements

Federal Labor and Contracting Requirements

Davis Bacon

- Contractors must pay prevailing wage for projects receiving federal funds in excess of \$2,000
- Davis Bacon Employee Rights poster and a copy of the prevailing wage determination must be posted
- Records must be maintained for 3 years

American Iron & Steel

- Must use U.S. iron and steel products for construction, alteration, maintenance, or repair
- Applies to all products that: Are made primarily of iron or steel; Listed in the Consolidated Appropriations Act of 2014 P.L. 113-76; Permanently incorporated into the project

Build America, Buy America

- Requires U.S. made iron, steel, manufactured products, and construction materials
- Applies to all infrastructure projects that receive federal assistance

American Iron & Steel: Listed Products

- Lined or unlined pipes or fittings
- Manhole covers
- Municipal castings
- Hydrants
- Tanks
- Flanges
- Pipe clamps and restraints
- Valves
- Structural steel
- Reinforced precast concrete
- Construction materials



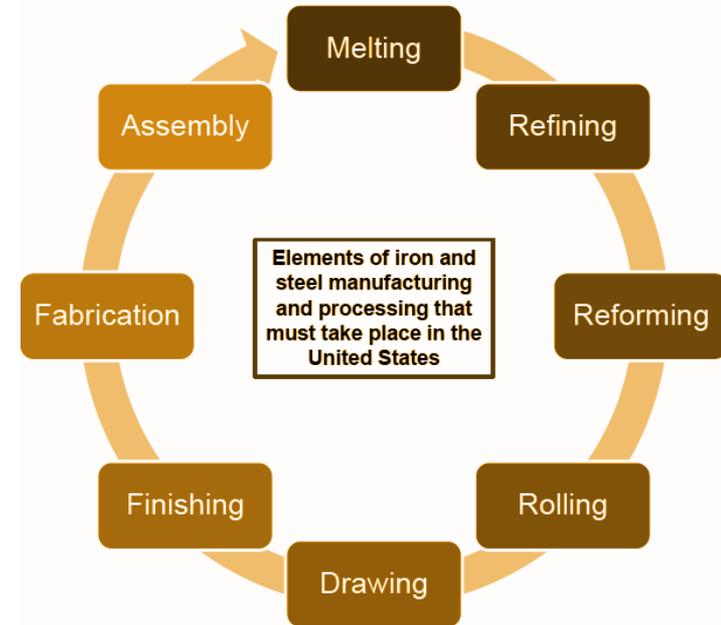
American Iron & Steel: What does NOT have to be produced in the U.S.?

- Raw materials, including iron and steel scrap
- The non-iron and non-steel components of a primarily iron or steel component
- Mechanical or electrical equipment
- Products that are not “listed” by Congress
- Appurtenances of assemblies

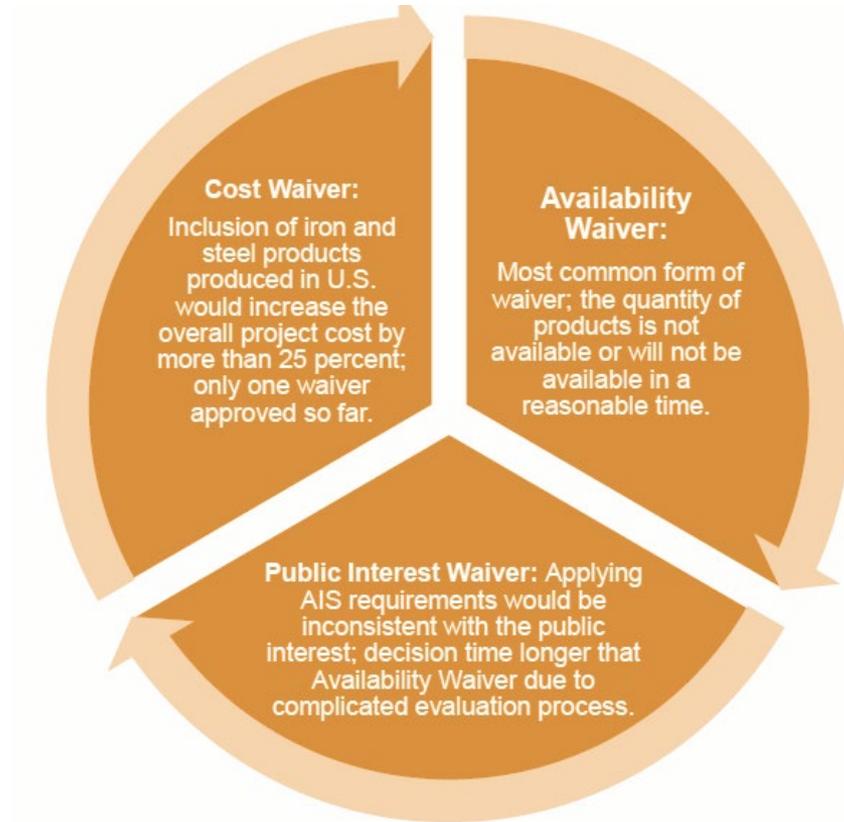
American Iron & Steel: Certification

Certification Letter - Key Elements

- What is the product?
 - Must come from the manufacturer and not the product supplier
- Where was it made?
 - Must name where the product was manufactured
- To whom it was delivered?
 - Must describe the product being delivered to the project site
- Signature of company representative or printed on company letterhead
- Must specifically reference AIS requirements



American Iron & Steel: Waivers



Source: Quantified Ventures

Build America, Buy America: Implementing New Requirements

- Included in Bipartisan Infrastructure Law
- Broader than American Iron & Steel; applies to all manufactured products and manufacturing of construction materials
- CWSRF projects must comply with both BABA and AIS

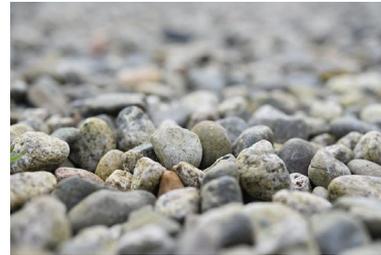


Build America, Buy America Act Topics

- [Overview](#)
- [Waivers Open for Public Comment](#)
- [Approved Waivers](#)
- [Resources](#)

Build America, Buy America: Defining Construction Material

- Article, material, or supplies used in construction
- Metals, plastics and polymers, glass, lumber and drywall.
- Not included:
 - Cement and cementitious materials, aggregates such as stone, sand, or gravel;
 - Aggregate binding agents or additives
 - Non-permanent products



Build America, Buy America: Defining Manufactured Products

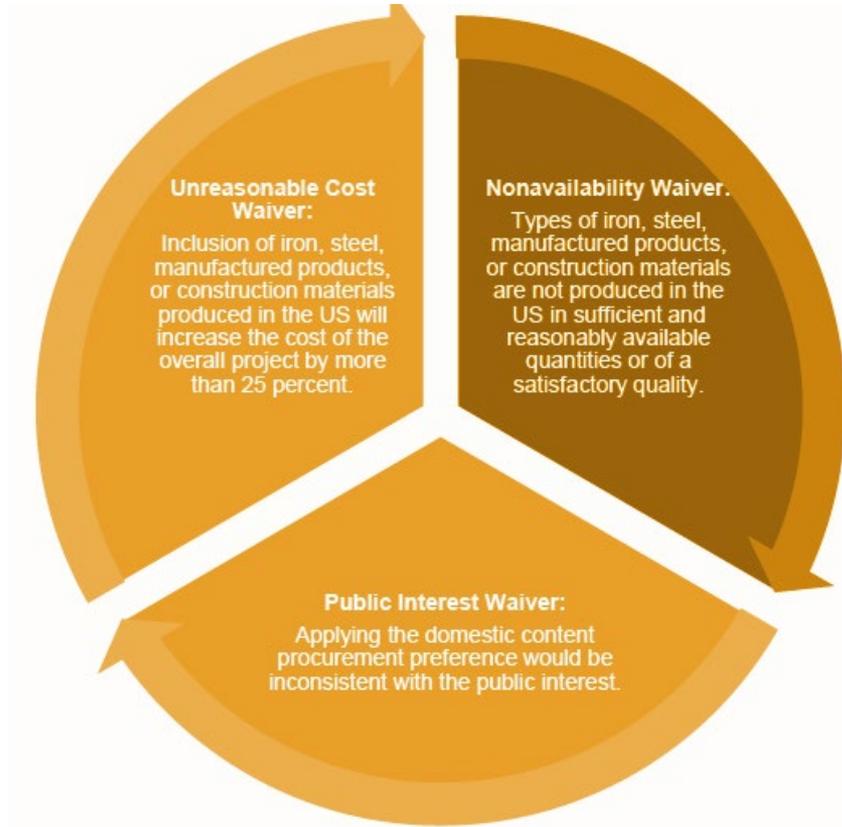
For water infrastructure projects, common manufactured products would include, but not be limited to:

- Pumps
- Motors
- Blowers
- Aerators
- Generators
- Instrumentation and control systems
- Gauges
- Meters
- Measurement equipment
- Treatment equipment

Build America, Buy America: What does NOT have to be produced in the U.S.?

- Tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project
- Equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project,
- Asphalt paving

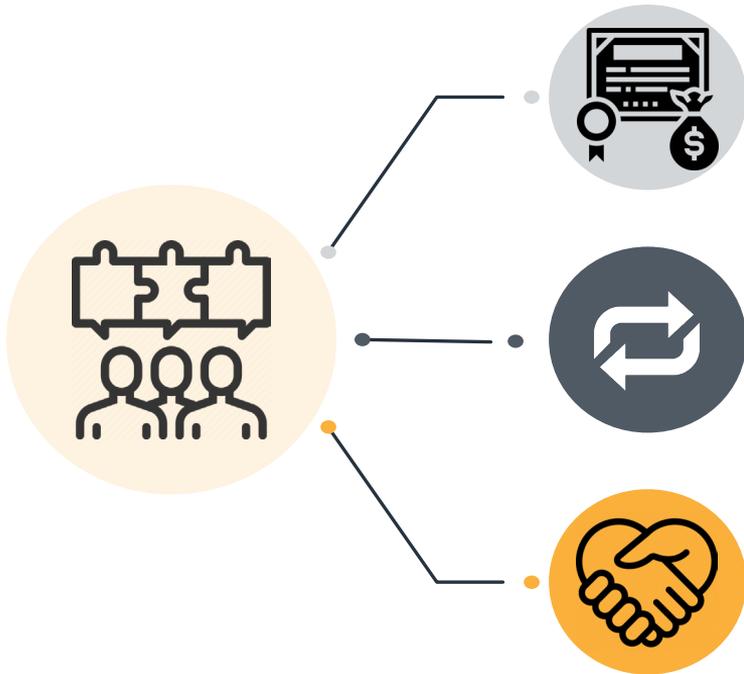
Build America, Buy America: Waivers





Community Engagement

Why Are We Focusing on Community Engagement?



To help you access SRF money

- Community engagement is a required element of an SRF loan application
- Each state is different - your SRF administrator can help you determine your specific requirements

To develop a replicable process for future applications

- Developing a community engagement plan establishes a process that can be repeated in future applications and future city projects and plans

To establish long-term relationships with communities

- Developing relationships with community stakeholders now will help lay the foundation for a long-term trust-based relationship to develop projects and programs with greater impact

Relevant SRF Funding Requirements

Check with your state's SRF Administrator for more details!

- **Community engagement is required by the SRFs on a state-by-state basis**
 - Typically part of pre-application process
 - Takes place after eligibility and ranking, but before the formal loan application process
- **Community engagement strengthens a project's credibility and makes implementation easier**
 - Some project types will struggle without community buy-in

Example: FL Project Review Checklist

SECTION IV - PUBLIC PARTICIPATION

- 1) Was a public meeting held to explain details of the project and its financial impact to affected parties; and was the public able to participate in evaluating project alternatives? Yes No
Source/Comment:
- 2) Date of Public Meeting: _____
- 3) Have copies of the public notice and public meeting minutes been provided? Yes No
Source/Comment:

Example: CO Pre-application Requirements

Pre-application requirements

- Owner must submit a Pre-Qualification Form to the division.
- SRF agencies convene pre-application meeting with owner to review Pre-Qualification Form.
- If SRF agencies agree to accept loan application, the owner:
 - ✓ May qualify for Planning & Design Grant.
 - ✓ Must submit Project Needs Assessment (PNA) to division for technical review.
 - ✓ Must conduct public meeting describing the project with 30-day legal notice proof.
 - ✓ Must submit design to the division for technical review.
- All technical and environmental issues must be resolved by the owner and accepted by the division before the owner can apply for a SRF loan.



Colorado Example:

**Find Your State's Forms &
Application Materials**

Step 1: State SRF Website & Intended Use Plan

A. Go to your state's [CWSRF website](#).

A. Find and record your state's **administering agency(s)**.

A. Find the **points of contact** for your state's administering agency(s).

A. Find the link to the most recent **Intended Use Plan (IUP)**



COLORADO
Department of Public
Health & Environment



COLORADO
Department of Local Affairs



Step 1: State Environmental Review



Environmental Review - Compliance with the National Environmental Policy Act

All proposed actions funded by the program must undergo an environmental review process to assess compliance with the National Environmental Policy Act and state environmental review process. The state, borrower, engineer, contractor, and subcontractor have a duty to cooperate fully with federal and local governments and all other concerned public and private organizations, to use all practical means and measures, including financial and technical assistance, and to create and maintain conditions under which people and nature can exist in productive harmony and promote the general welfare of the public.

^ Environmental reviews

State environmental review process

- [Environmental checklist.](#)
- [Environmental assessment template and agency contact list.](#)
- [Environmental assessment memorandum.](#)
- [Categorical exclusions.](#)
- [Findings of No Significant Impact.](#)

- A. Check your state's IUP to determine what projects must complete **environmental reviews.**
- A. Determine whether your **project type meets the state's IUP-defined types of projects** that must complete environmental reviews.
- A. If your project is subject to environmental review requirements, find your **state's forms and/or guidance on conducting those reviews and begin compiling relevant information**

Step 2: Labor and Contracting Requirements (Part 1)

- A. Check your state's **Intended Use Plan** to determine what projects must **comply with labor (e.g., Davis-Bacon), American, Iron and Steel, and Build America, Buy America rules.**

- A. Determine whether your project meets the **IUP-defined types of projects** that must meet labor (e.g., Davis-Bacon), American, Iron and Steel, and Build America, Buy America rules.

- A. Check whether any **American, Iron and Steel, and Build America, Buy America waivers** apply.

Davis-Bacon and Related Acts



COLORADO
Department of Public
Health & Environment

The requirements of Section 602(b)(6) of the Federal Water Pollution Control Act (WPCA) regarding prevailing wage rates shall apply to the construction of treatment works carried out in whole or in part with assistance made available by a state revolving loan fund as authorized under the Federal Water Pollution Control Act, or Section 205(m) of the Water Resources Reform and Redevelopment Act.

American Iron and Steel

The capitalization grant requires implementation of Title VI of the Clean Water Act as amended by the Water Resources Reform and Redevelopment Act of 2014 by requiring that all iron and steel products used for the construction, alteration, maintenance, or repair of a treatment work are produced in the United States. This requirement applies to projects carried out in whole or in part with assistance made available by a state revolving fund loan.

Build America, Buy America Act

Title IX of the Bipartisan Infrastructure Law created the Build America, Buy America (BABA) Act domestic sourcing requirements for federal financial assistance programs for infrastructure, including the SRF programs. BABA requires that all iron and steel and manufactured products used in a project are produced in the United States and that all construction materials are manufactured in the United States. This requirement applies to projects carried out in whole or in part with assistance made available by a state revolving fund loan and applies to equivalency-designated projects.

Step 3: Labor and Contracting Requirements (Part 2)

- A. If your project is subject to any labor, Iron and Steel, or Build America, Buy America rules, find your state's forms and/or guidance on meeting those requirements

Bid specification forms

- [AIS certification.](#)
- [AIS Product Tracking Log.](#)
- [AIS De Minimis Product Tracking Log.](#)



American Iron and Steel (AIS) forms

- [Build America, Buy America \(BABA\) Pay Application Certification.](#)
- [Build America, Buy America \(BABA\) Product Tracking Log.](#) (as of 2/7/25)
- [Build America, Buy America \(BABA\) De Minimis Product Tracking Log.](#)
- [SRF Suspension and Debarment Certification.](#)



Build America, Buy America (BABA) forms

- [Davis Bacon certification form.](#)
- [US DOL SF 308 - Request for wage determination and response to request.](#)
- [US DOL SF 1444 - Request for authorization of additional class and rate.](#)
- [US DOL SF 1445 - Labor standards interview.](#)
- [US DOL WH 347 - Certified payroll.](#)



Davis Bacon forms

- [DBE Form B.](#)
- [6100-2 DBE Subcontractor participation form.](#)
- [6100-3 DBE Subcontractor performance form.](#)
- [6100-4 DBE Subcontractor utilization form.](#)



COLORADO
Department of Public
Health & Environment

Step 4: Community Engagement Requirements

- A. Check your state's Intended Use Plan and application guidance documents to determine: **(a) what community engagement is required** and **(b) any key timelines or other requirements documenting your community engagement process** (e.g., meeting agendas and notes, etc.). Note your responses in the form below.
- A. Use this information to inform your approach to planning your community engagement strategy, using the [Community Engagement Workbook](#).



COLORADO
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Health & Environment

Public meeting

The public meeting must be properly noticed at least 30 days before in the legal section of the local publication.

- [Public meeting guidance and template.](#)

Submit all applications and forms using: [Colorado Environmental Online Services \(CEOS\)](#)

The meeting must be noticed in the legal section of a local newspaper a **minimum of one (1) time at least 30 days prior** to the scheduled meeting date, and should include:

1. Discussion of project alternatives.
2. The preferred alternative.
3. Any projected rate increases.
4. Any construction related and environmental impacts of the project.
5. The location where relevant documents may be reviewed or obtained.



Technical Assistance Resources

EPA Water Technical Assistance (TA)

Receive [Technical Assistance](#) for:

- Identifying water infrastructure or water quality improvement needs
- Planning for capital improvements
- Building technical, managerial, and financial capacity
- Preparing for and developing CWSRF applications materials

Eligible Entities:

- Local governments / communities
- Drinking, stormwater, and wastewater utilities and systems
- States, tribes, and territories
- NGOs

Connect with EPA

- Join the EPA's [Water Finance Center email list](#)
- Email questions to WaterTA@epa.gov
- [Request Water TA for Your Community](#)

Accessing SRF Technical Assistance

EPA Environmental Finance Centers - Support underserved communities with technical assistance to identify sustainable infrastructure solutions

Regional Water Infrastructure EFCs with Infrastructure Investment and Jobs Act Funding

1. University of Maine System
2. Syracuse University
3. University of Maryland
4. University of North Carolina at Chapel Hill & Southeast Rural Community Assistance
5. WSOS Community Action Commission Inc. & Delta Institute
6. University of New Mexico
7. Wichita State University
8. National Rural Water Association
9. Rural Community Assistance Corporation & Hawaii Community Foundation
10. Rural Community Assistance Corporation

Find the EFC Serving Your Area [HERE](#)

Example: Accessing Your State's CWSRF Technical Assistance: Florida

Step 1: Check your state's CWSRF Website & Intended Use Plan

- Florida's [CWSRF website](#)
- Florida's [CWSRF Intended Use Plan](#)

Step 2: Evaluate the type of assistance provided

- Florida provides:
 - Quarterly office hours for administrative, programmatic and technical assistance
 - Circuit Rider program funded by SRF and administered through the FL Rural Water Association
 - Asset management plan development is provided to systems receiving additional subsidy

Step 3: Determine if your city is eligible for TA

- Florida:
 - Office Hours open to all applicants
 - Circuit Rider program open to FRWA members (small and medium wastewater systems)
 - Asset management plan assistance open to applicants eligible for add. sub.

WaterNow's Colorado SRF Technical Assistance Dashboard

- **Drinking Water Revolving Fund (DWRF)**
- **Water Pollution Control Revolving Fund (WPCRF)**



- GSI, indoor and outdoor water efficiency, water reuse, source watershed protection, lead service line replacement
- WaterNow helps Colorado communities secure financing for sustainable and innovative water infrastructure projects

Sustainable Water
Projects

Application
Process

Support for
DACs

Technical
Assistance

Resources &
Tools

WaterNow's Colorado SRF Technical Assistance Dashboard

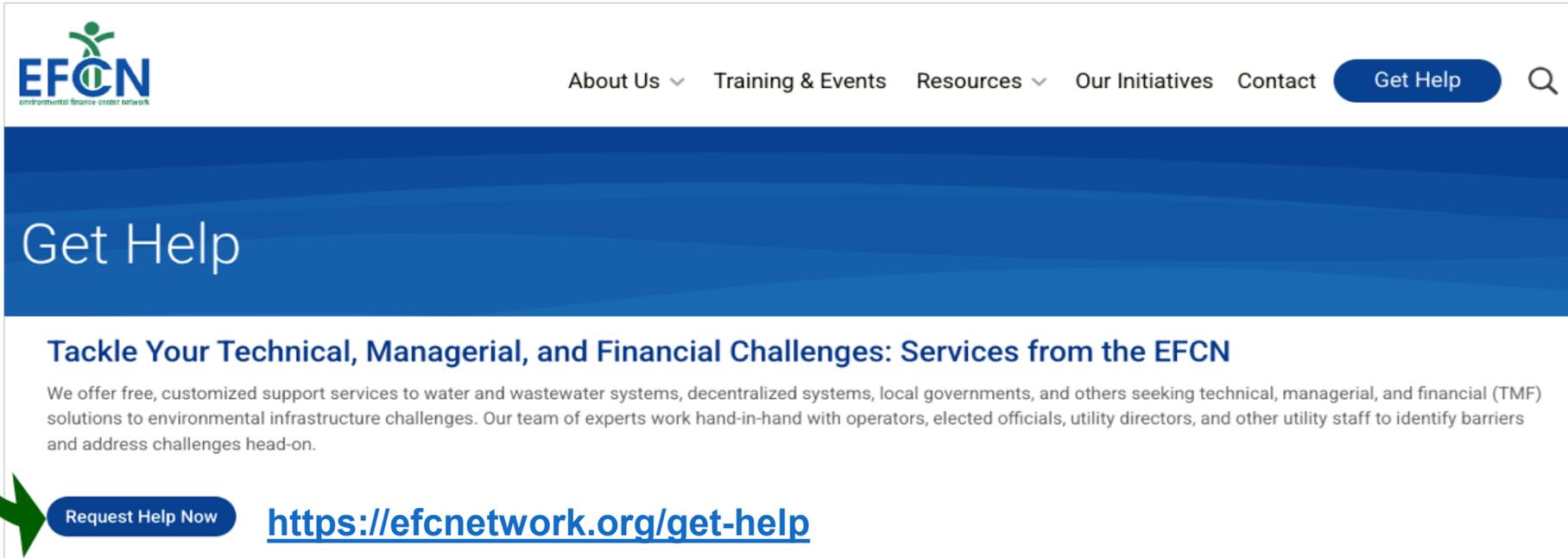
WaterNow's TA includes:

- Personalized consulting sessions to address SRF related questions
- Guidance on the pre-qualification and application process
- Community specific financial analysis and stakeholder identification
- Access to resources and WaterNow's network of experts

Are you in **Colorado** and ready to learn more? Fill out our [inquiry form](#) for personalized support.

Specialized Technical Assistance for Rural, Small, Tribal System

- Pro bono support for wastewater and stormwater systems serving $\leq 10,000$
- National scope – utilities in all states and regions are eligible



The screenshot shows the EFCN website header with the logo on the left and navigation links: 'About Us', 'Training & Events', 'Resources', 'Our Initiatives', 'Contact', and a 'Get Help' button. Below the header is a large blue banner with the text 'Get Help'. Underneath the banner is a section titled 'Tackle Your Technical, Managerial, and Financial Challenges: Services from the EFCN' with a paragraph of text. At the bottom left of the screenshot is a 'Request Help Now' button, and at the bottom center is the URL <https://efcnetwork.org/get-help>. A green arrow on the left side of the image points from the 'Request Help Now' button back to the 'Get Help' button in the screenshot.

EFCN
environmental finance center network

About Us ▾ Training & Events Resources ▾ Our Initiatives Contact **Get Help** 🔍

Get Help

Tackle Your Technical, Managerial, and Financial Challenges: Services from the EFCN

We offer free, customized support services to water and wastewater systems, decentralized systems, local governments, and others seeking technical, managerial, and financial (TMF) solutions to environmental infrastructure challenges. Our team of experts work hand-in-hand with operators, elected officials, utility directors, and other utility staff to identify barriers and address challenges head-on.

Request Help Now <https://efcnetwork.org/get-help>



Topic 5:
**From Project Idea to
Implementation**
Guest Speaker Panel

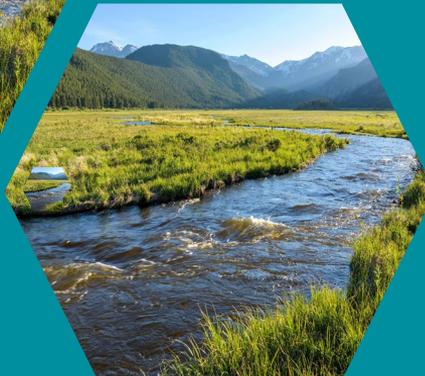
A video recording of this section is available [here](#)

Expected learning outcomes for this topic

Upon successful completion of this topic, city teams will be able to:

- ✓ Orient themselves to the SRF Loan process **from start to finish.**
- ✓ Place eligibilities, requirements, and threshold application steps **in the context** of actual projects.
- ✓ Understand why cities seek technical assistance and **how technical assistance can support** real communities.

Upper Thompson Sanitation District
Estes Park, Colorado



Presented by:
Suzanne Jurgens
District Manager



February 5, 2026

ABOUT

UPPER THOMPSON

- Special District formed in 1971
- Provide wastewater collection and treatment
- 17 full time employees
- Serve 5,000 residential and commercial customers
- 2 MGD treatment facility
- 93 miles of collection system
- 44 square mile service area
- Aging infrastructure
- Unable to meet impending water quality standard discharge regulations
- Began planning a new WRF more than 10 years ago



PROJECT CHALLENGE:

FINANCING THE CONSTRUCTION OF A NEW WRF

- Revenue derived solely from service fees and system development charges
- No mill levy
- Available funds are insufficient to cover the costs of constructing a new WRF

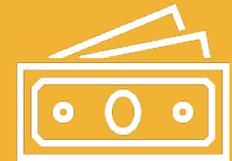
Secured two loans to pay for the cost of building the new WRF with a maximum \$100M construction budget.



FUNDING SOURCES

Loan from SRF = \$18M

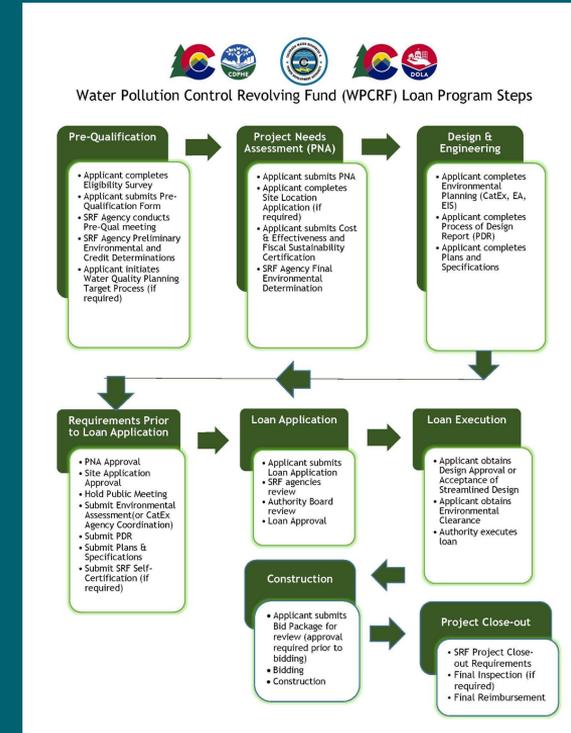
Loan from US EPA WIFIA
= \$96M



SECURING FUNDING ONE SMALL STEP AT A TIME:

- ❖ Start now
- ❖ Attend SRF program presentations and meet the SRF and state public health department team members
- ❖ Develop fluency with the loan program steps – ask questions

- ❖ Define the project
- ❖ Complete eligibility survey by June 30 of each year (whether planning for funding or not)
- ❖ Identify grant opportunities in addition to the loan program
- ❖ Invite SRF representatives to present the SRF program to staff and Board of Directors
- ❖ Initiate project development
- ❖ Begin to execute tasks outlined in each of the loan program steps
- ❖ Build the internal team: project manager, financial manager, operation manager, facility superintendent, administration support
- ❖ Build the professional services team: engineer, general counsel, financial advisor, bond counsel, public relations, rate consultant, accountant



- ❖ Engage key personnel
- ❖ Organize and enhance internal business processes
- ❖ Align the financial and budgetary strategy



- ❖ Provide documentation to support the application (budget, audits, etc.)
- ❖ Confirm environmental and permitting requirements are complete
- ❖ Utilize the expertise of the professional services team to understand and navigate each step and gather all required documentation to finalize the loan
- ❖ Keep the professional services team informed and involved as each piece of the program moves forward
- ❖ Upon closing of the loan, understand the loan details and covenants
- ❖ Comply with reporting and disbursement requirements
- ❖ Update rate analyses and frameworks to support rate covenant
- ❖ Communicate each efforts to inform customers about the status of the project and associated funding obligations



WRF PROJECT STATUS: “CONSTRUCTION” STEP OF SRF LOAN PROGRAM

- In early 2024, at 60% design, it was determined the entire project was not within budget
- Value engineering was performed on entire project – WRF, 2 Lift Stations, and Force Main
- WRF component was bid in March 2025
- Upon receipt of the bid on the WRF component, it was determined the entire project was still not within budget
- As result, a Notice of Award for WRF component was not issued
- Value engineering of the WRF component was executed in partnership with low bid contractor, several project components were omitted, and a preliminary cost estimate is within budget



In December 2025, the Board elected to proceed with final design and the District will proceed with construction of the WRF in late 2026

PROJECT FUNDING HAS NOT BEEN THE BIGGEST CHALLENGE



The Colorado SRF team has demonstrated exceptional commitment to the project, offering flexible support in the face of challenges to help ensure its successful completion.



A brown water buffalo is wading through a pond covered in green duckweed. The buffalo is in the center of the frame, moving from left to right. The water is dark, and the duckweed is a vibrant green. The background is a grassy bank with tall grasses. In the foreground, there is a teal text box with a yellow border containing the text 'THANK YOU!' in white, bold, uppercase letters.

THANK YOU!



Funding: What do I need and How do I get it?

Presented By Heather Himmelberger, P.E. Director, SW EFC

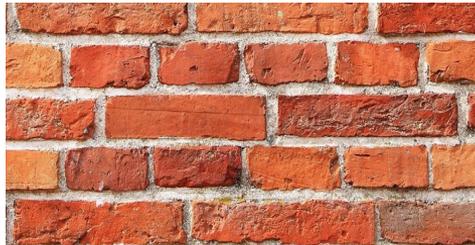
Community



Funder

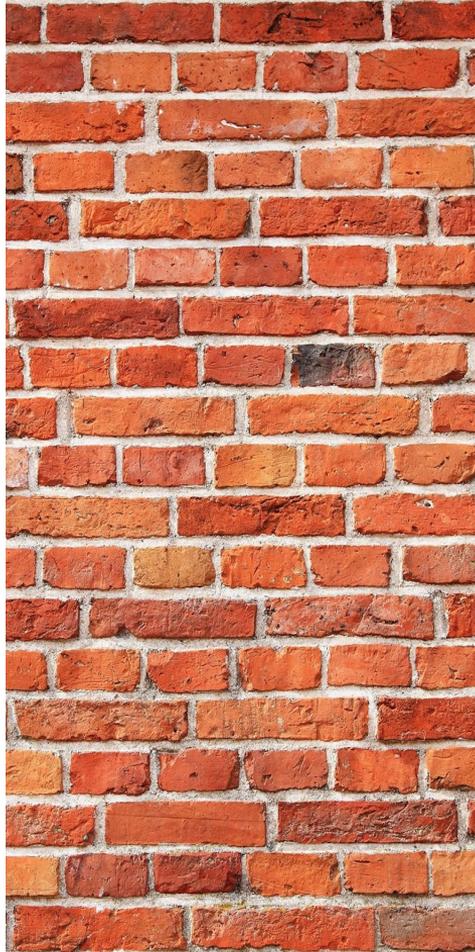
Large systems can lower the wall and have success

Community



Funder

For smaller systems, the wall can be enormous (real or perceived)

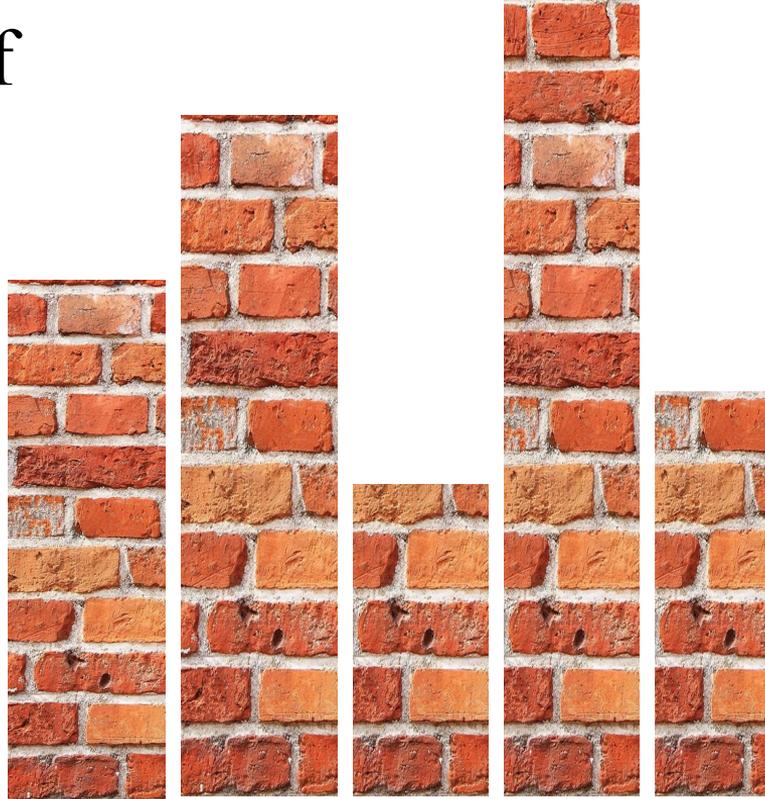


Community

Funder

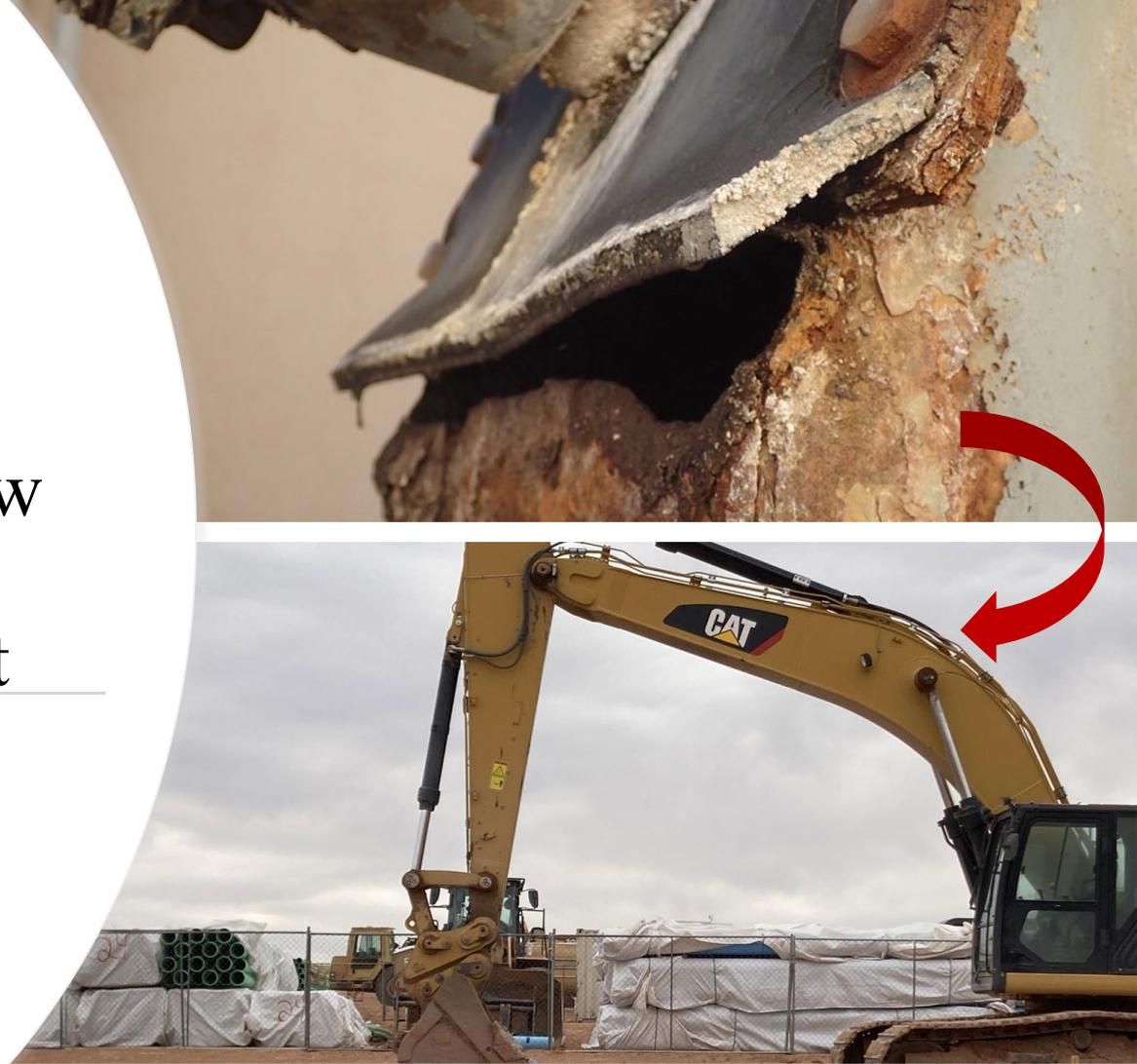
For other systems, the wall can be of varying sizes

Community

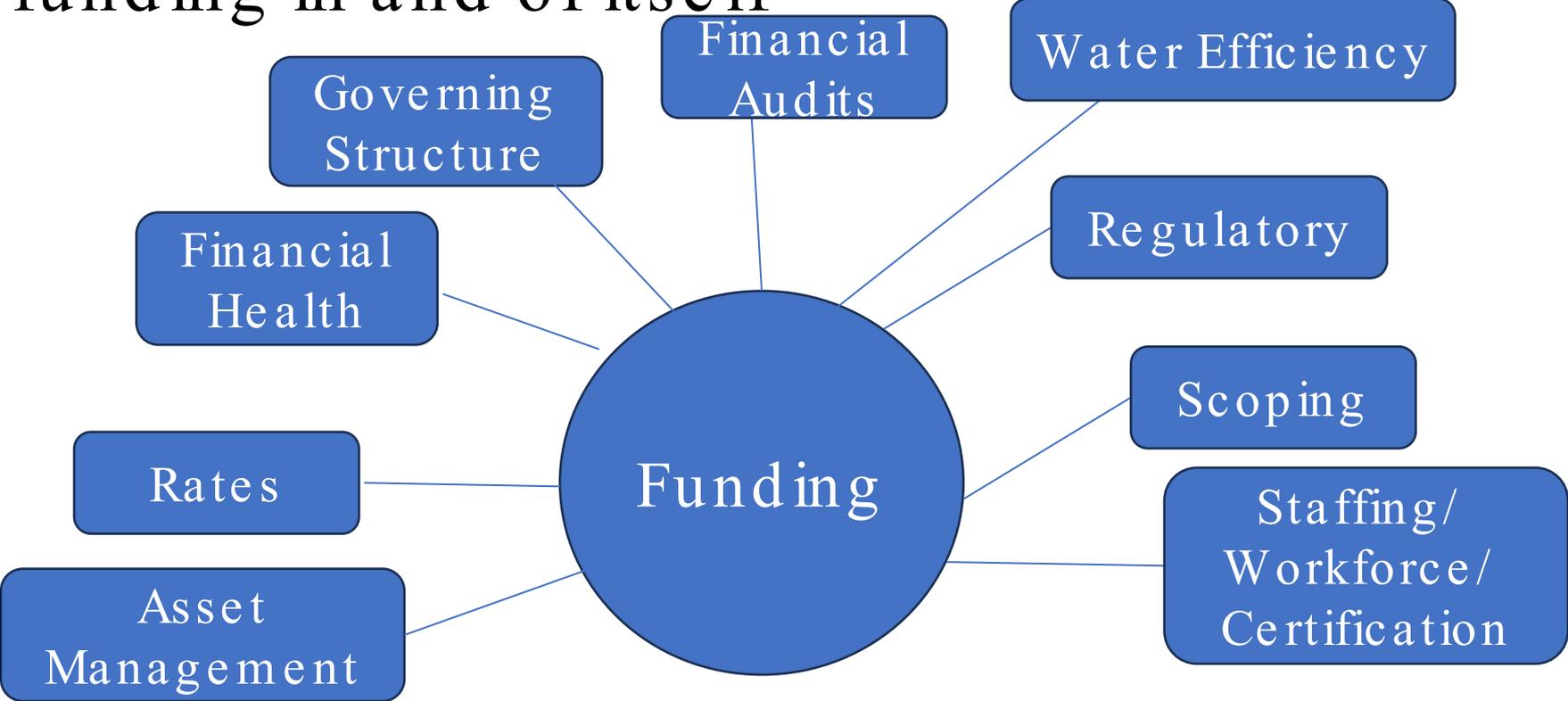


Funder

Systems can get stuck and have a hard time moving forward. They know they need something, but not sure what, how, cost, options....



Some of the “funding” issues are actually all the things around Funding but not funding in and of itself



Some of the “funding” issues are actually all the things around Funding but not funding in and of itself

Governing

Financial Audits

Water Efficiency

F

Each of these



ry

items can form a

ing

Ra

brick in the wall.

a ffin g/
rkforce /

Asset

Certification

Management

The Funding process adds its own bricks on top of the other bricks in the wall



Loan and Grant Management has their bricks as well





Free Technical Assistance is available to help with most, if not all, bricks that are in the way. Our hope is to make the wall low enough that systems can get over it!!



A few ways we can help, there are many more

Talk about general needs, assess asset condition

Phase and prioritize projects to make them affordable

Help a system understand the process

Work in coordination with others to leverage resources

Avoid a project through O&M changes

Help accessing professionals

Help select the right funding source(s)

Guidance on how to work with engineers

Help completing applications or other requirements for funding

A few ways we can help, there are many more

Talk about general needs, assess asset condition

Phase and prioritize projects to make the

Help a

We can't guarantee success (there are facets of the process that are outside our control) but we guarantee we will try and get the system as far as we can.

Help select the right funding source(s)

Guidance on how to work with engineers

Help completing applications or other requirements for funding



TELL ME
MORE



GET INSPIRED
BY THESE EXAMPLES



An Example

Bluewater Water & Sanitation District Bluewater, NM



Issues Include

Long term non-compliance with state wastewater discharge regulations

Failing in infrastructure

Lack of funding

SW EFC Activities

Worked collaboratively with BWSD, NMED, NWNMCOG and other TA providers

SW EFC focused on regulatory compliance

Working with system and partners to identify realistic, affordable future infrastructure options

Outcomes to date

- Gained access to funding
- System in compliance with reporting
- Required monitoring well installed
- System actively collaborating with NMED and TA providers
- After completion of audits, system became eligible for SRF funding





Topic 6: Key Takeaways, and Tools & Resources

Key Takeaways

- **Project Eligibility & Finding Your State's Requirements**
 - Are you eligible?
 - Key benefits of the SRFs:
 - Subsidized Interest Rates, Principal Forgiveness, and Technical Assistance
 - Get familiar with your IUP!
- **Federal and State Priorities**
 - Aligning with programmatic priorities and set-asides leads to higher priority for funding and additional subsidy!



Key Takeaways

- **Loan Structure & Additional Subsidy**
 - SRF funds are loans to be repaid
 - Some portion can be forgiven
 - Each state sets their own Additional Subsidy rules
- **Threshold Application Steps**
 - Eligibility survey
 - Application form; work with your SRF loan officer
 - Environmental reviews

Key Takeaways

- **Technical Assistance**

- There are many potential sources of assistance for your funding application!
- EPA and the Environmental Finance Center Network offer assistance hubs to connect you with TA providers.

- **From Project Idea to Implementation**

- Navigating this process can be done by real cities like you!
- If you need support, you're not alone.



Tools, Resources & Examples (1/3)

A practical toolkit for cities applying to SRF loans

[C/DWSRF Fact Sheet and Guide](#) | **Local Infrastructure Hub:** Overview of SRF basics and guidance for cities.

Clean Water State Revolving Fund (CWSRF)

[Clean Water SRF Website](#) | **EPA:** Comprehensive overview of program structure, eligibility, and funding updates.

[Overview of CWSRF Eligibilities](#) | **EPA:** Summary of eligible wastewater, stormwater, nonpoint source, and green infrastructure projects.

[Green Project Reserve Guidance for the CWSRF](#) | **EPA:** Eligibility guidance for green infrastructure, energy efficiency, water efficiency, and innovative projects.

[State CWSRF Contact List](#) | **EPA:** Directory of state program contacts for application support and requirements

[CWSRF Case Studies](#) | **EPA:** Examples of successfully funded projects and financing strategies.



Tools, Resources & Examples (1/3)

A practical toolkit for cities applying to SRF loans

Drinking Water State Revolving Fund (DWSRF)

[Drinking Water SRF Website](#) | **EPA:** Overview of eligible drinking water infrastructure projects and program requirements.

[DWSRF Eligibility Handbook](#) | **EPA:** Detailed guidance on eligible project types and funding criteria.

[State DWSRF Contact List](#) | **EPA:** Directory of state contacts for application and compliance support.

[Technical, Managerial & Financial \(TMF\) Capacity Resources for Small Drinking Water Systems](#) | **EPA:** Resources to help small systems strengthen operational and financial capacity.

Toolkits and Technical Assistance

[TiR Toolkit – SRF Module](#) | **WaterNow Alliance:** Practical tools and step-by-step guidance to help local governments prepare for and access SRF financing.

[EPA Water Technical Assistance \(WaterTA\)](#) | **EPA:** Free support for identifying infrastructure needs and preparing SRF applications.

[Environmental Finance Center \(EFC\) Network](#) | **EFCN:** Regional technical assistance providers supporting underserved communities nationwide.



Tools, Resources & Examples (1/3)

A practical toolkit for cities applying to SRF loans

Data Resources

[Census Data Explorer](#) | **U.S. Census Bureau:** Searchable database for income, poverty, unemployment, and demographic data often required for affordability determinations.

[American Community Survey \(ACS\) Data](#) | **U.S. Census Bureau:** Frequently referenced in state affordability and disadvantaged community (DAC) criteria.

Local Infrastructure Hub Workshop Recordings

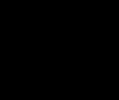
[Project Eligibility & State Requirements](#): Assess project eligibility, understand your state's rules, and prepare a complete, competitive application.

[Federal & State Priorities](#): Align your project with key program goals to strengthen competitiveness for funding.

[Loan Structure & Additional Subsidy](#): Understand SRF loan terms, repayment structures, and opportunities for principal forgiveness and other subsidies.

[Threshold Application Steps](#): Follow a clear roadmap of the application process, requirements, and key milestones.

[From Project Idea to Implementation](#): Review lessons from successful projects to move from concept to loan award and execution.



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