



## Oregon's DWSRF FAQs

<http://healthoregon.org/srf>

### 1. What is the Drinking Water State Revolving Fund (DWSRF)?

Each federal fiscal year (10/1 to 9/30), the U. S. Environmental Protection Agency (EPA) uses a federal grant application process to make funds available for states' DWSRF programs. Oregon's grant request process begins by identifying and collecting information about current Oregon drinking water system project improvement needs statewide. The information collected helps the EPA determine the annual grant allotment formula for each state.

With each annual allotment, Oregon's [DWSRF program](#) provides low-cost loans to community and nonprofit non-community water systems for planning, design and construction of drinking water infrastructure improvements per Section 1452 of the [Safe Drinking Water Act \(SDWA\) Amendments of 1996](#). Funding is also available for drinking water source protection efforts.

Oregon's DWSRF loan program is co-administered between Oregon Health Authority's Drinking Water Services (OHA) and partners at Business Oregon – who manage the project loan fund, also known as the [Safe Drinking Water Revolving Loan Fund \(SDWRLF\)](#) which is capitalized by the DWSRF.

Specific DWSRF funding programs include:

- [Infrastructure Projects](#)
- [Sustainable Infrastructure Planning Projects \(SIPP\)](#)
- [Drinking Water Source Protection \(DWSP\)](#)
- [Small System Equipment Assistance \(SSEA\)](#)

### 2. How can I apply for DWSRF infrastructure financing?

The first step for eligible water systems to obtain DWSRF financial assistance is to submit a Letter of Interest (LOI). LOIs for infrastructure projects can be submitted at any time through Business Oregon's website, but should be submitted in consultation with the Regional Development Officer for the area.

- LOI is located at, [https://www.oregon.gov/biz/Forms/SDWRLF\\_LOI.pdf](https://www.oregon.gov/biz/Forms/SDWRLF_LOI.pdf).
- To locate your Regional Development Officers, visit, <http://www.oregon4biz.com/directory.php?d=1#rdo>.

### 3. What types of water systems are eligible for DWSRF financing?

The following types of drinking water systems are eligible to apply for funding:

- Publicly and privately owned **community systems** (e.g., cities, towns, mobile home parks, ports)
  - 25+ users or 15+ service connections by year-round residents.
- Publicly and privately owned **non-profit non-community systems** (e.g., schools, parks, campgrounds, churches)
  - 25+ users served to non-residents throughout a year. The non-profit entity can be government owned or is recognized under Oregon law as a non-profit organization.
- Community water systems created by the project.

For more information regarding eligibility and program details, see the [Safe Drinking Water Program Guidelines and Handbook](#).

In addition, a system must be in compliance with drinking water standards, or the proposed project must help the system resolve their compliance issues.

### 4. What types of projects are eligible for DWSRF financing?

- New, repair or replacement of water sources, treatment, finished water reservoirs, pumping and transmission/distribution mains, including associated appurtenances, land/easement acquisition and control buildings.
- Aquifer, Storage & Recovery projects.
- Instrumentation, telemetry, water meter, AMR/AMI, backflow device and pressure reducing valve projects.
- Safety, Seismic and Security improvements.
- Projects which increase redundancy and reliability of critical assets.
- Water system restructuring and/or consolidation to resolve noncompliance or technical, managerial, and financial problems.
- Planning and Design Activities in support of an eligible project, including feasibility studies, master plans, design documents, environmental documents, and similar work.
- Water rights, dams, and raw water reservoirs subject to EPA approval.

Projects that resolve current health and or compliance issues, or address technical, managerial, or financial problems through consolidation receive priority funding and greater financial incentives.

### 5. Is there technical assistance available?

Yes. Eligible DWSRF water systems with populations under 10,000 have the option of receiving free technical services by OHA's contracted [Circuit Rider Program](#). These engineering services are limited to 10 hours per issue. Assistance with funding applications (e.g., [Sustainable Infrastructure Planning Projects \(SIPP\)](#)) and filling out the [Letter of Interest \(LOI\)](#) for

infrastructure projects is only a couple of the several services this program offers. For more details, visit the program link above.

## 6. What are the rates and terms?

- Interest rates are based on municipal bond rates (80% of the prior quarter's 20-Bond Index) with repayment terms up to 30 years for all loans.
- Interest rates are as low as 1% for disadvantaged communities.
- Oregon's DWSRF offers a percentage of the loan as principal forgiveness for all funded projects.
  - Projects that address health, compliance, and/or consolidation issues receive additional principal forgiveness.

## 7. What is the Intended Use Plan?

Each year, Oregon must submit an Intended Use Plan (IUP) to U.S. Environmental Protection Agency (EPA) for approval (see [EPA DWSRF Interim Final Rule, 40 CFR Part 35.3555\(a\) &\(b\)](#)). The IUP demonstrates how Oregon intends to use DWSRF program funds for that year and explains how low-interest loan and grant assistance to eligible water systems is prioritized throughout the state of Oregon.

## 8. What is a Project Priority List (PPL)?

All projects submitted on an LOI form are reviewed for eligibility. Eligible projects are then prioritized to create a Project Priority List (PPL). The PPL is used by our funding partners, Business Oregon (BizOR) to invite project applications and is included in Oregon's current IUP during each state fiscal year that it submits to the Environmental Protection Agency (EPA) for approval.

PPLs are posted online for public comments quarterly for SIPP and Infrastructure projects, and annually for DWSP and SSEA projects.

## 9. Are there other funding resources available?

Yes. Depending on the type of water system and the project scope, there are other federal and state funding programs that may be able to assist.

In addition to the DWSRF, here's a short list of agencies that may be able to offer funding assistance:

- [Business Oregon Funding Programs](#)
- [DEQ's - Clean Water State Revolving Fund \(CWSRF\)](#)
- [Water Resources Dept. - Development Program](#)
- [EPA's Clearinghouse for Environmental Finance](#)
- [USDA \(Rural Development\) - Water & Waste Disposal Loan & Grant Program](#)
- [RCAC - Environmental Finance Center](#)