

STATE OF CONNECTICUT

DEPARTMENT OF PUBLIC HEALTH

Jewel Mullen, M.D., M.P.H., M.P.A.
Commissioner



Dannel P. Malloy
Governor
Nancy Wyman
Lt. Governor

DWS Circular Letter #2014-11

To: All Public Water Systems, Local Officials, Chief Elected Officials and other interested parties

From: Lori Mathieu, Public Health Section Chief, Drinking Water Section

Date: May 23, 2014

Subject: Public Act 14-98 Section 46: Public Water System Improvement Program

On May 22, 2014 Governor Malloy signed into law [Public Act 14-98](#) (PA 14-98) which under Section 46 provides the State Bond Commission the power to authorize bonds up to an aggregate \$50 million to be used by the Department of Public Health (DPH) to implement a public water system improvement program. This program will provide grants-in-aid to certain eligible public water systems for drinking water infrastructure projects. These grants-in-aid will be administered by the Drinking Water Section (DWS) as part of our existing Drinking Water State Revolving Fund (DWSRF) loan program.

The Drinking Water State Revolving Fund (DWSRF) program assists community and non-profit, non-community public water systems (PWS) in financing infrastructure improvement projects, such as upgrades and renovations to their existing water system. Examples include storage tanks, treatment plants and water mains. Funding is provided as long-term, low-interest loans that can be repaid in terms of up to 20 years with interest rates approximately half of the market rate. Eligibility criteria for the supplemental grants-in-aid contained within PA 14-98 follows the same eligibility criteria for DWSRF loans with the following exceptions which are explicitly contained within PA 14-98:

- Public service companies, as defined in section 16-1 of the Connecticut General Statutes, **are not** eligible for grants-in-aid
- For profit companies **are not** eligible for grants-in-aid
- Grants-in-aid may only be provided to eligible public water systems for eligible drinking water projects for which a DWSRF project funding agreement is executed **after July 1, 2014**.

It is important to emphasize another provision within PA 14-98 that requires eligible public water systems to submit a fiscal and asset management plan with their DWSRF application.

Eligible public water systems that serve 10,000 or fewer persons may receive up to 50% grant-in-aid for projects cost that qualify for funding through the DWSRF. Eligible public water systems that serve more than 10,000 persons may receive up to 30% grant-in-aid for project costs that qualify for funding through the DWSRF. PA 14-98 specifies that grant-in-aid will be provided in the form of loan principal forgiveness.



Phone: (860) 509-7333 • Fax: (860) 509-7359 • VP: (860) 899-1611
410 Capitol Avenue, MS#51WAT, P.O. Box 340308
Hartford, Connecticut 06134-0308
www.ct.gov/dph

Affirmative Action/Equal Opportunity Employer

Public Water Systems, Local Officials and other interested parties
Public Act 14-98
May 23, 2014
Page 2 of 2

The DWS is currently working out the details that will be required to administer and distribute these grant funds and will share those details with all stakeholders as soon as they are available. Questions may be directed to Cameron Walden, Supervising Sanitary Engineer, at (860) 509-7333.

Cc: Ellen Blaschinski, DPH