

## STATE OF CONNECTICUT

## DEPARTMENT OF PUBLIC HEALTH



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

Dannel Malloy  
Governor

January 20, 2012

Lisa Jackson, Administrator  
US Environmental Protection Agency Headquarters  
Ariel Rios building  
1200 Pennsylvania Avenue, N.W.  
Mail Code: 1101A  
Washington, DC 20460

**Subject: December 2, 2011 Letter from Lisa Jackson to Governor Malloy**

Dear Administrator Jackson:

The Connecticut Department of Public Health (DPH) received your letter dated December 2, 2011 to Governor Malloy requesting that Connecticut expedite the flow of Drinking Water State Revolving Fund (DWSRF) dollars into Connecticut's economy. DPH greatly appreciates the DWSRF program, views it as instrumental to public health protection and agrees that providing for robust drinking water infrastructure will support the long term prosperity and well being of Connecticut's communities.

A unique challenge in Connecticut continues to be the large number of public water systems that exist within the state. With over 2,500 public water systems and 169 municipalities with no regional or county governments, the program that administers public drinking water is faced with a complex array of issues. A proactive DWSRF program can greatly assist to address these issues.

With that, the DWSRF program is a priority for the State of Connecticut and the DPH. We agree with the need to expedite the use of DWSRF funds. We view the DWSRF program as one of the cornerstones of invigorating drinking water infrastructure investment in Connecticut and we look forward to our continued work with your staff in Region I. To that end, we can report that several key strategic initiatives are underway, in the areas of staff support, funding, and project solicitation.

Our strategy for staff support includes restructuring units and staffing levels with the DPH Drinking Water Section in order to streamline and lean the DWSRF process. We are separating duties and responsibilities in order to allow for the DWSRF program to focus on project management and program pace as well as creating a pipeline of projects. Further, we have added two additional durational staff to the DWSRF.



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We are also working on a mechanism to assure that the DWSRF program is more fully supported with permanent staff. Unfortunately, these plans are impacted by the USEPA's recent reduction in CT's annual capitalization grant in FFY2011 from FFY2010 levels. We have also been informed that we should expect further cuts in future years.

Our funding strategies include the mitigation of the uncertainty around federal funding fluctuations with timely submission of grant applications and the development of plans to charge modest fees for services within the Drinking Water Section.

The submission of the FFY2011 and FFY2012 capitalization grants for the DWSRF is a priority. The DWS is currently preparing the FFY2011 capitalization grant application and expects to submit a preliminary application with a draft Intended Use Plan (IUP) and draft Priority Project List (PPL) to EPA Region 1 by the end of January 2012. Following the mandatory public participation process in order to finalize our IUP and PPL for FFY2011 and FFY2012, the documents will be finalized in the spring of 2012. The DPH also intends to prepare and submit the FFY2012 capitalization grant application prior to the finalization of the PPL and IUP.

We have also developed a fee for services legislative proposal. If passed during the next legislative session beginning in February 2012, these fees will assist the DWS in meeting federal and state mandates in future years. Although the decision has been made to exclude the DWSRF program specific services from the fee proposal, any fee income will assist us to provide an appropriate level of staffing across the entire Drinking Water Section including the DWSRF program.

The solicitation and review of potential projects continues to be a time intensive process. This year, we fully implemented a plan to expedite the solicitation and award of assistance agreements with Connecticut's public water systems. The DPH's October 2011 call for projects was a two year solicitation to establish a pipeline of projects for both FFY2011 and FFY2012. The approach reduces the delays associated with performing a solicitation and public hearing on an annual basis as was done in previous years. This process will continue in future years to ensure that the drinking water infrastructure needs to be met by the DWSRF program will be adequately reflected in each Connecticut Clean Water Fund capital budget request.

The State of Connecticut has continually demonstrated its commitment to this important program. Most recently the State Legislature approved funding for the Connecticut Clean Water Fund which included approximately \$110 million dollars in loan funds over the next two years committed to the Drinking Water Fund. This funding along with the provision of staff support and a flexible leveraged financing plan, coordinated within the Connecticut Clean Water Fund, will ensure this program's long term availability to Connecticut's public water systems.

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Thank you for your letter which highlights the importance of the DWSRF program at the state and national level. The Connecticut DPH greatly appreciates the DWSRF program and its funding. This funding has provided opportunities within Connecticut for communities and public water systems to solve long standing public health issues. DPH has prioritized DWSRF and we will focus on quickening the pace of the program overall. We believe that our strategy will move Connecticut's DWSRF program forward and directly address the issues noted in your letter. We are presently moving forward with the items as outlined above and will continue to update your staff concerning the progress of our DWSRF program. Please feel free to contact Lori Mathieu, Section Chief of the Drinking Water Section at 860-509-7333 to discuss any of the above items.

Sincerely,



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

JM/sm