

# **Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)**

**OTCO Reservoir Management Workshop  
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# Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)

## Outline of Presentation

- Background on the Water Supply Revolving Loan Account (WSRLA)
- Funding opportunities for PWSs with Reservoirs
- Ohio EPA's funding opportunities for HAB projects
- Emerging funding priorities and a look ahead
- Question and Answers

# Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)

Background on the Water Supply Revolving Loan  
Account (WSRLA)



# Office of Financial Assistance Administers Ohio's Two State Revolving Funds

- **Water Supply Revolving Loan Account (WSRLA)**  
(the drinking water loan program)
- **Water Pollution Control Loan Fund (WPCLF)**  
(the wastewater loan program)

# Ohio's Two State Revolving Funds

	<b>WPCLF</b>	<b>WSRLA</b>
Authorization (year)	CWA 1987	<b>SDWA 1996</b>
First Loan	Sept. 1989	<b>Feb. 1999</b>
Total Loans	1,840 loans - \$6.5 billion	<b>514 loans - \$1.1 billion</b>
Federal Seed Money	\$2.05 billion	<b>\$517 million</b>
State Matching Funds	\$395 million	<b>\$104 million</b>
Annual Capacity	\$500 million/year	<b>\$150 million/year</b>

# DWAF vs WSRLA ??

## Drinking Water Assistance Fund (DWAF)

- **Water Supply Revolving Loan Account (WSRLA)**
- DWAF Administrative Account
- Small Systems Technical Assistance Account
- PWS Supervision Account
- Local Assistance & Other State Programs Account

# Water Supply Revolving Loan Account

## Eligible Project Applicants

- Community Water Systems
- Non-profit, Non-Community Public Water Systems

# Water Supply Revolving Loan Account

## Eligible Projects Include:

New water treatment plants

New waterlines

Water tanks/towers

Regionalization projects

Standby/back-up power

Emergency interconnections

Water treatment plant rehab

Waterline rehab/replace

Pump/booster stations

New water meters

New well fields

Asset Management Plans



# Water Supply Revolving Loan Account

## Ineligible Project Costs:

Dams or Dam Rehabilitation

Reservoirs \*

O & M Expenses

Primarily for Future Growth

Syst. in Significant Noncompliance\*

Ordinary Gov. Operating Expenses

Water Rights

Laboratory Fees for Monitoring

Primarily for Fire Protection

Systems that lack TMF Capability\*

Street Restoration beyond necessary

Projs that have completed construction

\* Some exceptions may apply



# WSRLA Annual Funding Cycle

January 1<sup>st</sup> – Call for Pre-Applications

March 1<sup>st</sup> – Pre-Application Deadline

May 1<sup>st</sup> – Draft Intended Use Plan (IUP)

June 1<sup>st</sup> – Public Hearing

July 1<sup>st</sup> – Final IUP; Beginning of Program Year

June 30<sup>th</sup> – End of Program Year (Follows SFY)

# Water Supply Revolving Loan Account

## Taking a look at the last year's projects (January 2015 – December 2015):

- 38 projects funded for \$114.6 million
- Planning = 6 loans; Design = 3; Construction = 29
- Largest loan = \$28.5 million; Smallest = \$10,500
- \$37 million in projects received the HAB discount
- Several loans included \$10K in principal forgiveness for auxiliary power

# Water Supply Revolving Loan Account

## Interest Rates

<b>Category</b>	<b>Terms</b>
Standard Long-term	Market Rate minus 1.25%
Small System (<10,000 pop.)	Market Rate minus 1.75%
Disadvantaged Communities (three levels)	From 20% to 40% Principal Forgiveness; rates as low as 0%

# Water Supply Revolving Loan Account

**Compared to market rates, savings are substantial**  
**Example \$1 million loan (February 2016 rates)**

<b>Interest Rate</b>	<b>Total Repayments</b>	<b>Savings vs. Market</b>
Market (3.10%)	\$1,349,320	-----
Standard (1.85%)	\$1,200,950	\$148,370
Small (1.35%)	\$1,114,418	\$234,902
HAB Discount (0%)	\$1,000,000	\$349,320

# Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)

Funding opportunities for PWSs with Reservoirs



# Funding Opportunities Associated with Reservoir Management

**Preventative Actions** potentially fundable through  
the Water Pollution Control Loan Fund (WPCCLF)

- Storm water controls/Green Infrastructure
- Wastewater Treatment Plant Nutrient reduction
- Wetland Conservation/Restoration
- Land Conservation/Easements
- Aquatic Buffers and Filter Strips
- Other NPS Pollution Controls

# Funding Opportunities Associated with Reservoir Management

**Other Actions** potentially fundable through the  
Water Supply Revolving Loan Account (WSRLA)

- Installation of aerators
- Installation of mechanical mixers
- Surface skimming equipment
- Ultrasound equipment
- Other capital improvements??



# Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)

Ohio EPA's funding opportunities for HAB  
projects



# Water Supply Revolving Loan Account

## Some Highlights for 2016:

- \$248 million in projects in the Intended Use Plan
- \$7.3 million available as principal forgiveness
- Up to 50% principal forgiveness available for projects that consolidate disadvantaged comm. into larger systems with more capability
- \$250,000 for auxiliary power (50% of the cost up to \$10,000 per system)



# Water Supply Revolving Loan Account

## Some Highlights for 2016:

- Continue to administer funds for the Cyanotoxin investigative monitoring equipment (orig. \$1 M)
- Additional \$50 million at 0% for HAB projects:
  - Improved treatment for toxins
  - Interconnections
  - Elevated Storage
  - Alternative sources of water

# Ohio EPA Funding Opportunities Through the Drinking Water Assistance Fund (DWAF)

Emerging funding priorities and a look ahead



# Water Supply Revolving Loan Account

## **Emerging funding priorities and a look ahead:**

- Continued Focus on Small & Disadvantaged Communities
- Disadvantaged Community Regionalization
- Auxiliary Power
- Asset Management Planning
- Improvements at Surface Water Treatment Plants to address Harmful Algal Blooms

# Water Supply Revolving Loan Account

## Emerging funding priorities and a look ahead:

- Increased access to funding for larger PWSs
- 0% funds available to all communities for all planning activities
- HAB 0% funding to continue into 2017
- WSRLA process improvements

# Water Supply Revolving Loan Account

## Emerging funding priorities and a look ahead:

- 0% planning loans for Corrosion Control Studies
- 0% planning loans for lead line identification
- WSRLA loan funds available for implementation of infrastructure improvements recommended from corrosion control studies
- WSRLA loan funds available for lead line replacement

# Questions?

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