

2016 Annual Report

Clean Water State Revolving Fund Programs



*Demonstrating
Results*



*Recognizing
Performance*

*America's Largest
Public Source of
Water Quality
Financing*



Clean Water
State Revolving Fund

Dear Colleagues,

It is my distinct honor to send forward the Clean Water State Revolving Fund (CWSRF) Annual Report for Fiscal Year 2016.

EPA releases this annual report for several important reasons. First, it is intended to inform the CWSRF stakeholders of national accomplishments and new initiatives. Next, and more specifically, the report displays key information on the program's impressive financial and environmental performance. Lastly, we hope to share the unique and profound contributions CWSRF programs make to the protection of water quality and public health across this great nation.

CWSRF programs had an exceptionally productive year, providing over \$7.6 billion in financial assistance through 1,362 assistance agreements. This represents a 31 percent increase in dollars of assistance provided from fiscal year 2015. The national pace of the program, defined as assistance provided as a percentage of assistance available, continues at a high level of 98 percent. Also, the national average interest rate of CWSRF loans was 1.6 percent versus a market rate of 3.5 percent, generating a significant subsidy for CWSRF borrowers.

These are impressive figures, yet the success of the CWSRF programs is reflected by much more than numbers. Behind the financial and environmental benefits data for fiscal year 2016 is a story that encompasses a diverse range of communities, projects, and a multitude of federal and state funding partners. EPA appreciates the dedication of all who work within the CWSRF program, with special recognition to the EPA regions and states that have made these programs a success. Thank you for a job well done!

Sincerely,



Andrew Sawyers, Ph.D., Director
Office of Wastewater Management





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Built for Success

The United States relies on a vast system of wastewater treatment infrastructure to protect public health and water quality. Although these assets are largely out of the public eye, maintaining them is critically important. This requires a proactive approach to the repair and replacement of aging infrastructure—but doing so comes at a cost. As the American population has grown to over 300 million, wastewater infrastructure needs are in the hundreds of billions of dollars. Meeting these needs requires affordable financing options that support cost-effective solutions to water quality and public health problems.

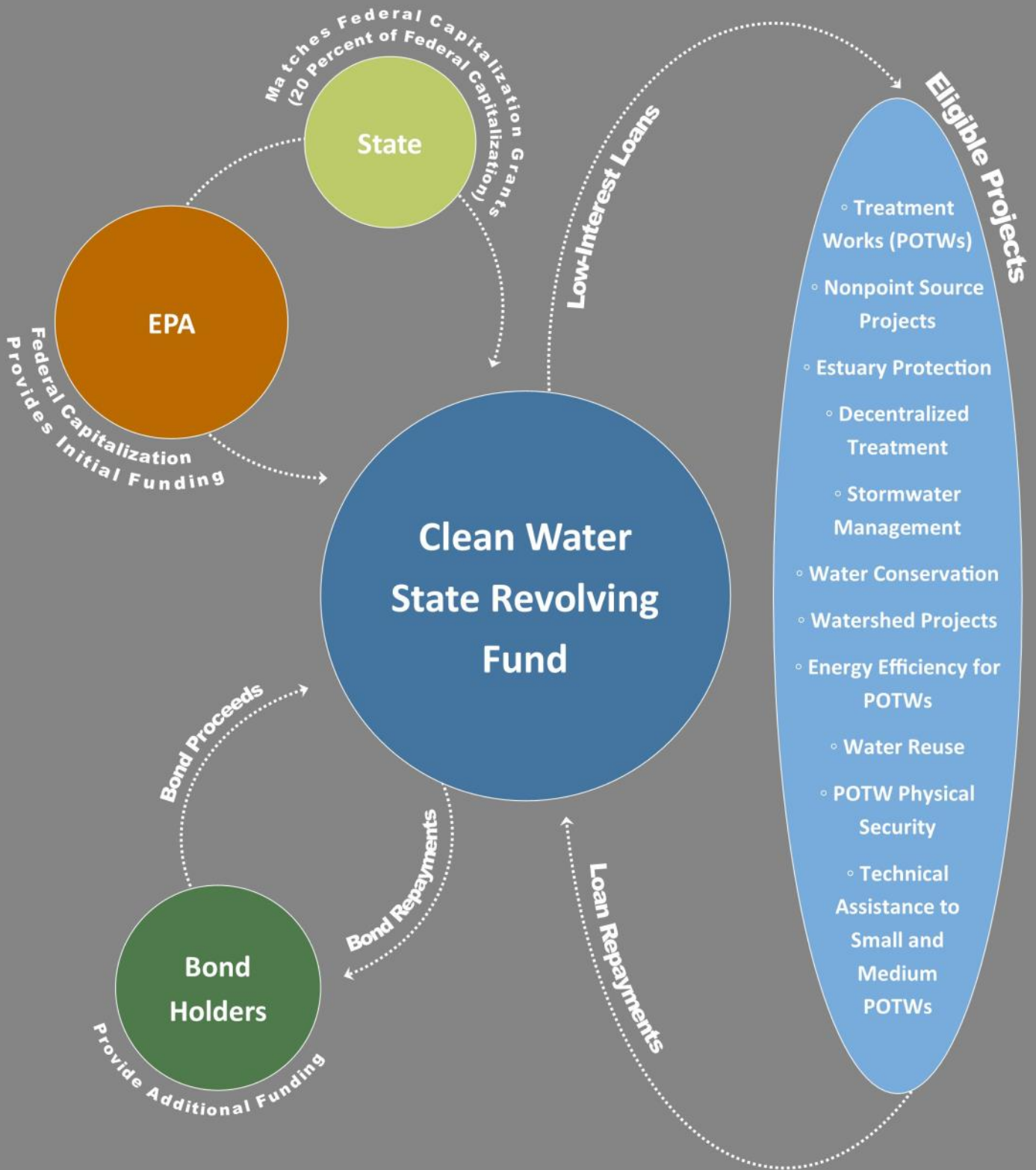
The Environmental Protection Agency (EPA) has a long standing history of providing financial support in the interests of public health and water quality. Beginning in the 1970s, the construction grants program oversaw considerable investment in our nation's wastewater infrastructure. Despite this infusion of federal dollars, later decades brought increased capital needs for the repair, replacement, expansion and upgrade of publicly owned treatment works (POTWs). In the mid-1980s, EPA began to consider alternative strategies to provide states with a permanent source of funding that would not be fully dependent on federal contributions.

With this goal in mind, Congress introduced a new model for providing financial assistance. The CWSRF programs were established by the 1987 amendments to the Clean Water Act providing states with a continuous source of funding for water quality projects, including municipal wastewater treatment, nonpoint source, watershed protection and restoration, estuary management, and more.

The CWSRF programs are state administered revolving loan funds that are located in each of the 50 states and Puerto Rico. States fund projects according to each state's unique environmental and economic priorities. This inherent flexibility not only allows states to provide low-cost financing for critical water infrastructure projects, but direct resources where they are needed most.

These programs are capitalized annually by federal and state contributions. For every dollar contributed by the federal government, states must contribute 20 cents. Since capitalization began in 1988, federal contributions have reached \$41 billion, with corresponding state contributions of \$7.6 billion. Capitalization is paying off. Over the past 29 years, the 51 CWSRF programs have multiplied these federal and state contributions, resulting in over \$120 billion in available funding for eligible projects during this time period.

Figure 1: CWSRF Programs are Water Infrastructure Banks



Congress established the program with three eligibilities: the construction of publicly owned treatment works, the implementation of a state nonpoint source management program, and the development and implementation of a National Estuary Program Comprehensive Conservation and Management Plan. However, state innovations and statutory changes have resulted in an evolution of project eligibilities since the program was authorized in 1987.

Most recently, the Water Resources Reform and Development Act of 2014 amended the CWSRF programs, expanding the program’s eligibilities from three to eleven. The new eligibilities are broadly defined, providing the opportunity to fund an even larger array of projects and reach a larger pool of borrowers.

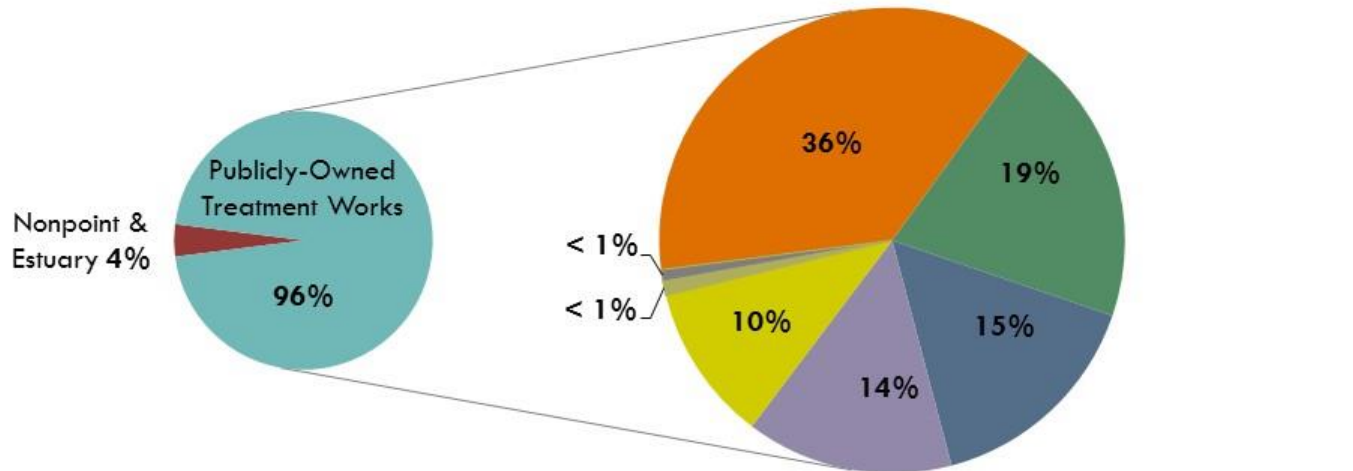
Today’s CWSRF programs can fund a wide variety of water quality protection efforts. The program’s flexibility and range of project eligibilities enable states to target CWSRF funds to their specific water quality priorities.

Construction of publicly owned treatment works
Nonpoint source projects
National estuary program projects
Decentralized wastewater treatment
Stormwater management
Projects that reduce demand for POTW capacity through water conservation, efficiency, or reuse
Watershed projects defined in Section 122 of the Clean Water Act
Projects that reduce the energy consumption needs of POTWs
Water reuse
Security measures at publicly owned treatment works
Technical assistance to small and medium publicly owned treatment works

Although the spectrum of CWSRF eligibilities is broad, the majority of CWSRF dollars still go towards traditional wastewater treatment projects, as indicated in Figure 2. There will always be a need for these types of projects, but with the augmented suite of CWSRF eligibilities, an important question that federal and state partners face is how best to support innovation and ensure that CWSRF programs are equipped to meet all of today’s infrastructure needs.

Community infrastructure needs are diverse and challenging, but CWSRF programs have the tools to provide effective infrastructure solutions to a wide range of borrowers, including communities of all sizes, communities in need, and in some cases, private entities and households. With expanded eligibilities, it is reasonable to expect that the portfolio of funded projects will also evolve. EPA is committed to actively engaging with state partners to tap the untapped potential of these eligibilities and achieve new environmental and economic benefits.

Figure 2: CWSRF Programs Fund a Wide Range of Projects



Cumulative Assistance Provided

Total: \$118.7 Billion
Nonpoint Source and Estuary: \$4.8 Billion
Publicly Owned Treatment Works (POTW): \$114.0 Billion

POTW Categories

- Secondary Treatment (\$42.2 Billion)
- Advanced Treatment (\$23.1 Billion)
- New Collector Sewers and Interceptors (\$17.8 Billion)
- Infiltration/Inflow and Sewer Rehabilitation (\$16.4 Billion)
- Combined Sewer Overflow (CSO) Correction (\$12.4 Billion)
- Stormwater (\$1.1 Billion)
- Recycled Water (\$0.9 Billion)

Note: Total may not equal sum of the parts due to individual rounding.

Cooperative Federalism

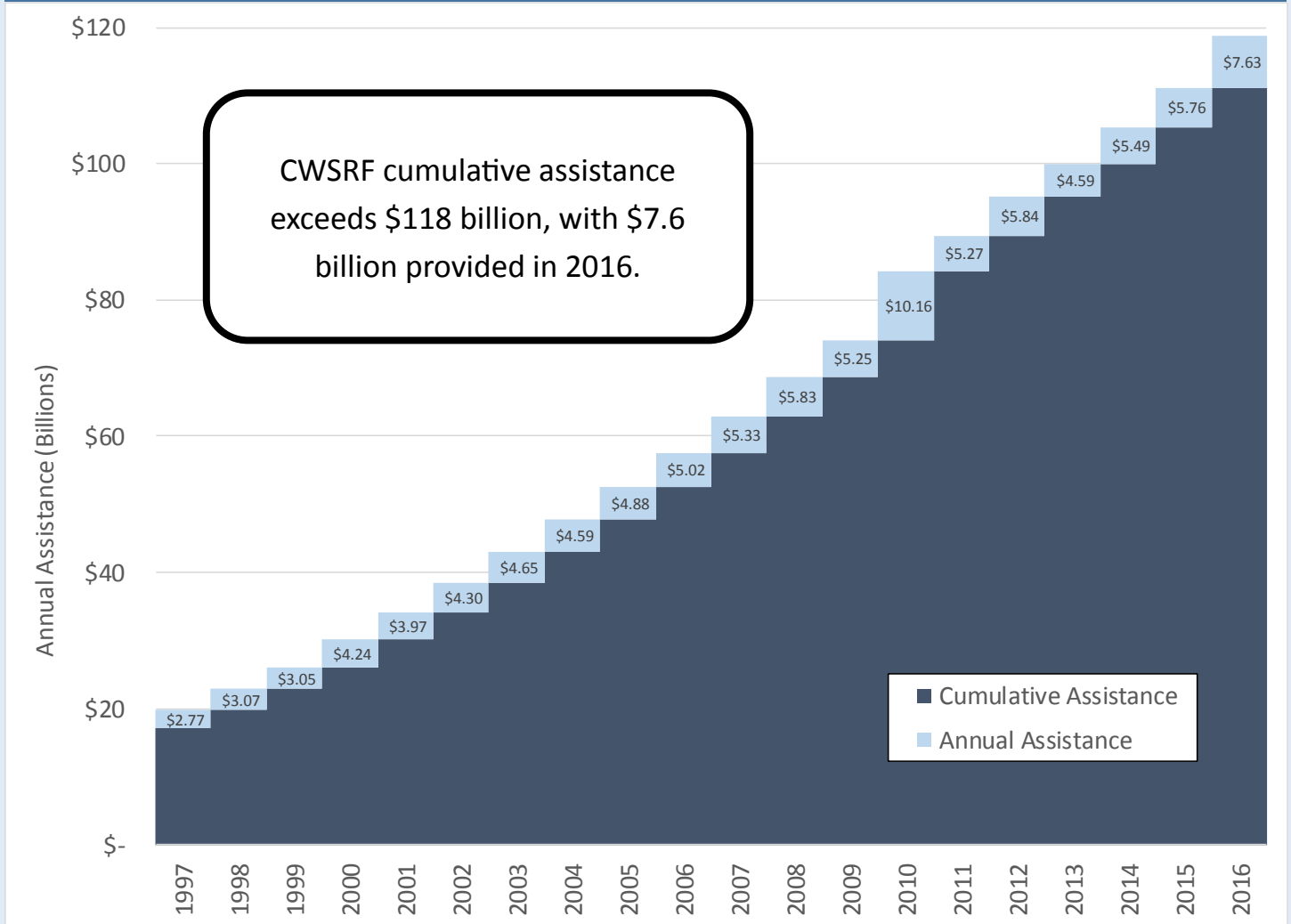
The CWSRF model exemplifies successful federal and state cooperation on behalf of the nation’s environmental and economic interests. State programs fund water infrastructure projects of many types in communities of all sizes.



2016 Performance Highlights

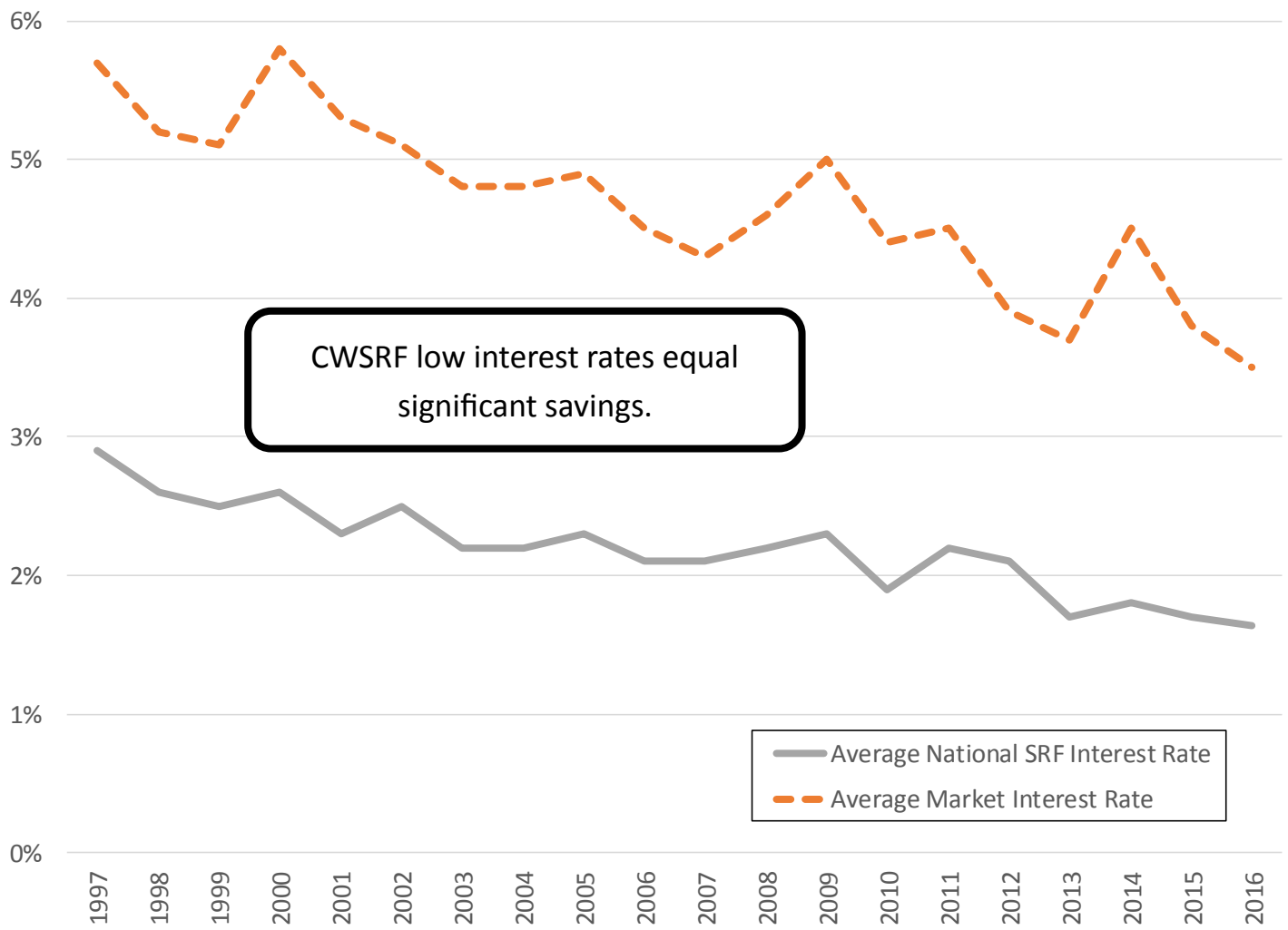
The continued growth and success of the 51 CWSRF programs is a vital component of addressing our nation’s infrastructure challenges. The flexible financing terms and beneficial subsidies offered by the state programs allow thousands of communities and other entities to upgrade and replace their wastewater treatment and sewer infrastructure, protect waterbodies from point and nonpoint sources of pollution, and achieve a wide variety of other environmental benefits – all at a reduced cost for the public.

Figure 3: CWSRF Cumulative and Annual Assistance



In 2016, the CWSRF programs had a great year by extending 1,362 loans, providing more than \$7.6 billion in assistance to a wide variety of eligible borrowers. This is almost \$2 billion more assistance provided than in 2015 and marks the second highest annual funding level in the history of the programs. Cumulatively, the CWSRF programs have provided \$118.7 billion dollars in assistance and 38,457 assistance agreements.

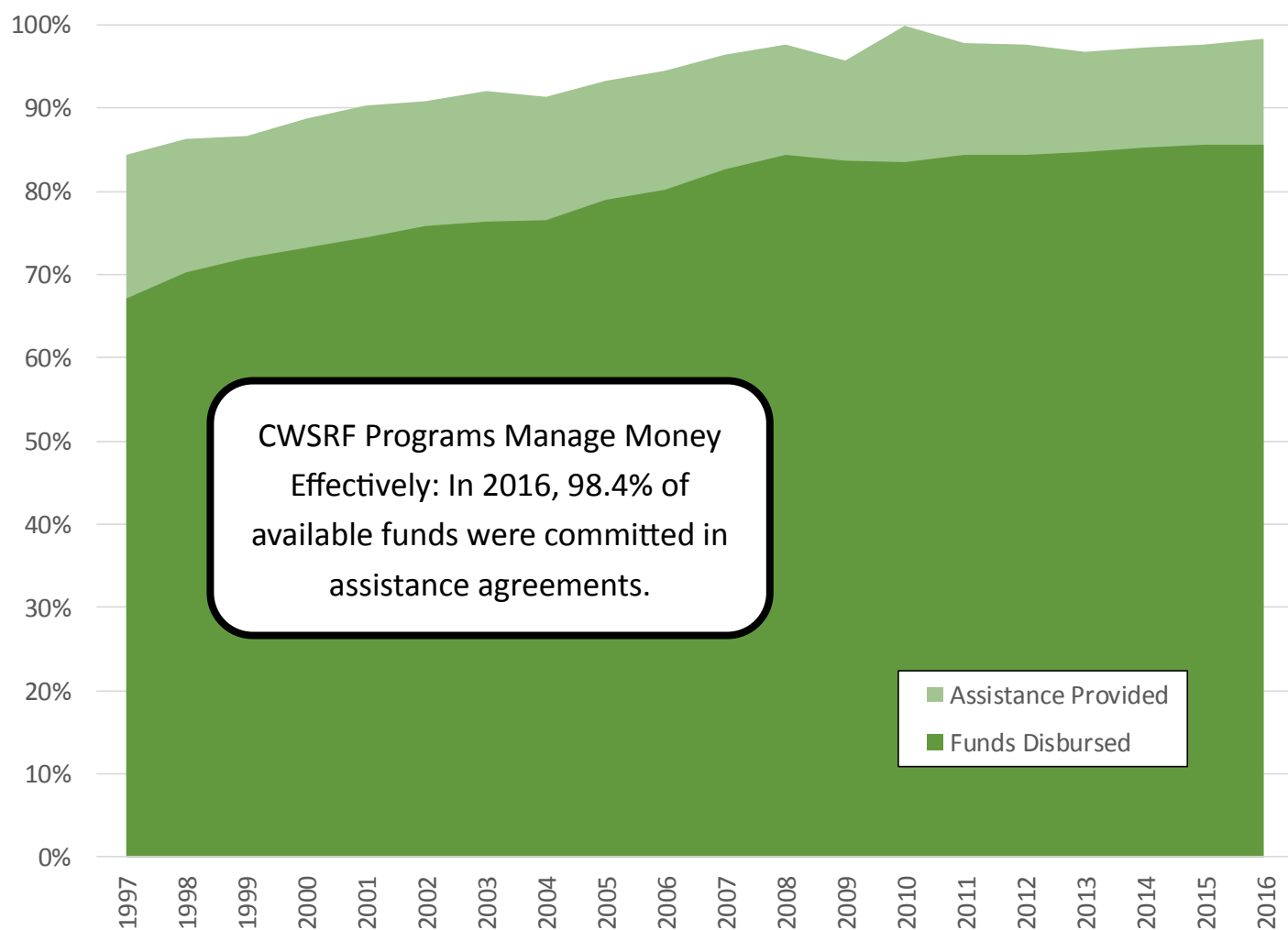
Figure 4: CWSRF and Market Interest Rates



Subsidies are inherent to the CWSRF programs thanks to low interest rates. In fact, the average interest rate charged by CWSRF programs has been consistently lower than the average market interest rate, saving the American public billions of dollars. Even in today's competitive market CWSRF programs can provide significant cost savings to borrowers. For example, when the market rate is 6 percent, a 3 percent CWSRF loan of \$100,000 over 20 years is equal in savings to a \$23,000 grant, and a \$77,000 loan at the market rate. The CWSRF program's ability to offer below market interest rates is one of the most powerful tools that states use to ensure that financing terms align with the borrower's ability to repay the loan. States are aware of the infrastructure financing challenges faced across the country and continually seek to provide the most cost effective solutions.

CWSRF programs have other tools at their disposal that give them the ability to provide further cost savings above and beyond the savings provided by low interest rates. Referred to as additional subsidization, these tools include principal forgiveness, grants, and negative interest loans. Since 2009, over \$4.2 billion in additional subsidization has been provided in the form of principal forgiveness and direct grants. This additional financial assistance is critical to the CWSRF programs' ability to reach economically stressed communities and incentivize high priority projects.

Figure 5: Cumulative CWSRF Assistance Provided and Disbursements as a Percentage of Funds Available



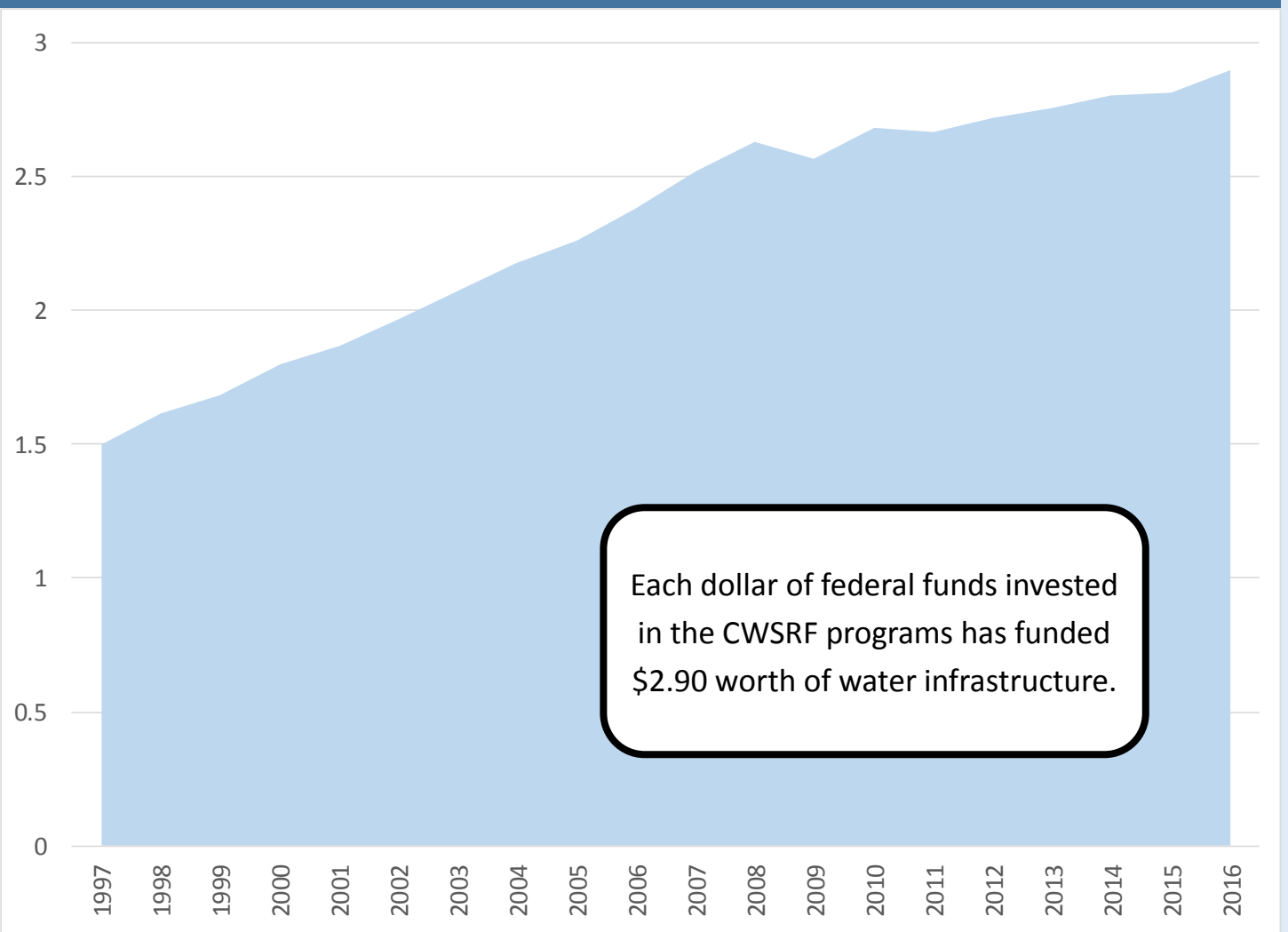
CWSRF programs have a proven track record of addressing the nation’s critical wastewater infrastructure and water quality needs by ensuring that this funding is distributed in a timely and expeditious matter. States excel at putting CWSRF monies into executed assistance agreements where it can work on behalf of American citizens. Trends reveal that the rate at which loans are made, and the rate at which funds are disbursed has steadily increased over time. In 2016, 98.4% of available funds were committed, and 85.6% of total funds were distributed. It is important to note that CWSRF disbursements always trail loan commitments slightly as funds are not disbursed to recipients until project costs are incurred.

EPA continues to work with states to build off this success. Ongoing efforts includes developing resources such as the “Overview of Clean Water State Revolving Fund Eligibilities” paper published in 2016. This paper informs states and potential borrowers of the many different types of projects that may be eligible for CWSRF assistance. EPA’s ongoing marketing and outreach campaign complements these resources by working directly with states to identify and eliminate the barriers that prevent borrowers from accessing CWSRF funding. EPA continues to highlight excellent state practices with respect to committing and disbursing funds as part of its ongoing training, oversight, and outreach activities. Fostering this type of communication between CWSRF programs will ensure that efficient commitment and disbursement of funds continues.

The previous figures paint a comprehensive picture of the success and efficiency of the CWSRF programs. These are programs that not only provide significant funding for critical projects, but offer significant cost savings. States have proven time and again that they are able to build off the federal investment provided by annual capitalization through state matching contributions, strategic financing options, leveraging, and other innovative practices.

The increasing ability to multiply the federal investment is further demonstrated by the relationship between cumulative assistance and cumulative federal funding over time. The revolving nature of the CWSRF programs means that each federal dollar can be reinvested to provide additional resources for infrastructure spending. Figure 6 demonstrates how this powerful capability has grown over time. To date, each dollar of federal funds invested in the CWSRF programs has funded \$2.90 worth of wastewater treatment infrastructure. This positive impact of federal contributions is a testament to the power and continued potential of the revolving loan fund model. For 29 years, CWSRF programs have revitalized crumbling infrastructure, created jobs, and protected the health of the nation's waterbodies. As the funds continue to grow, so too will the environmental, economic, and public health benefits they generate.

Figure 6: CWSRF Programs Multiply the Effect of Federal Investment





2016 Financial Overview

The Clean Water Act requires an annual financial audit of the 51 state-level CWSRF programs. Each state and Puerto Rico conducts these audits according to the generally accepted accounting standards (GAAP) established by the Governmental Accounting Standards Board (GASB). States often define their CWSRF programs as ongoing enterprise funds under the GASB definitions of funds.

The standardized financial statements used for CWSRF programs include a statements of fund activity, revenues, expenses, earnings, and assets. Because the 51 constituent CWSRF programs are independent state-level entities, no nationally audited CWSRF program financial reports are available. However, national aggregate financial statements have been developed using data entered in EPA's National Information Management System between July 1, 2015 and June 30, 2016. The statements are best viewed as non-audited, cash flow-based financial reports. We begin by providing the 2016 Financial Highlights.

Statement of Fund Activity

This statement provides an overview of major indicators of fund activity, including capitalization grant levels, project commitments, project disbursements, and subsidies provided. Both annual and cumulative data are given.

Statement of Revenues, Expenses, and Earnings

This statement describes the overall performance of the CWSRF fund over the reporting period that is reflected in the increase or decrease in net assets.

Statement of Cash Flows

This statement provides a detailed accounting of the actual flow of cash into and out of the CWSRF fund.

Statement of Net Assets

This statement describes CWSRF assets and liabilities through the end of the fiscal year. Assets include financial assets and capital assets. Liabilities include both current and long term liabilities. CWSRF assets include grant funds that have been drawn from the federal treasury to date, but do not include total grant awards. CWSRF assets also include state matching contributions that have been deposited in the fund.

2016 Financial Highlights

- In FY 2016, the CWSRF programs provided over \$7.6 billion in funding.
- CWSRF program equity (net assets) totals \$48.2 billion, a \$1.8 billion or 3.9 percent increase from 2015.
- Project disbursements increased by \$883 million in FY 2016 compared to the previous year. In FY 2016, \$5.1 billion in principal and interest repayments were received, an increase of 4 percent over FY 2015.
- Interest earnings from loans and investments totaled more than \$1.2 billion, allowing operating revenues to exceed operating expenses by \$128 million.
- Leveraged bond proceeds added \$1.9 billion to program cash flows in FY 2016, and along with co-financings allowed the CWSRF programs to fund additional projects. This was a threefold increase compared to FY 2015.
- In FY 2016, states paid more than \$2.4 billion in principal and interest on leveraged and state match bonds, within 1.5 percent of the 9-year average.



Statement of Fund Activity (Millions of Dollars)

Annual Fund Activity	FY 2015	FY 2016
Federal Capitalization Grants	1,870.6	1,517.9
State Matching Funds	268.3	274.7
New Funds Available for Assistance	5,515.5	6,789.3
Executed Assistance Agreements	5,757.7	7,628.2
Project Disbursements	5,111.0	5,994.3
Cash Draws from Federal Capitalization Grants	1,715.7	1,505.7
Total Annual Subsidy	130.5	175.0
Grants	26.5	41.6
Negative Interest	0.0	0.0
Principal Forgiveness	103.9	133.4
Cumulative Fund Activity		
Federal Capitalization Grants	39,464.3	40,982.2
State Matching Funds	7,373.2	7,647.9
Funds Available for Assistance	113,772.8	120,562.1
Executed Assistance Agreements	111,102.7	118,730.9
Project Disbursements	97,351.6	103,345.9
Cash Draws from Federal Capitalization Grants	37,743.5	39,249.2
Total Cumulative Subsidy	4,100.4	4,275.4
Grants	485.7	527.3
Negative Interest	0.0	0.0
Principal Forgiveness	3,614.7	3,748.0

Cumulative Executed Assistance Agreements as a percent of Funds Available for Assistance ("pace") was 98 percent in FY 2016, which shows that states have remained very successful in directing funds toward projects that address important water quality problems. This strong rate of fund utilization is a direct result of the program's below market interest rates and flexible financing options, targeted marketing and outreach initiatives, and effective program management.

Statement of Revenues, Expenses and Earnings (Millions of Dollars)

Operating Revenues	FY 2015	FY 2016
Interest on Investments	296.3	250.3
Interest on Loans	997.1	1,004.9
<i>Total Operating Revenues</i>	1,293.3	1,255.1
Operating Expenses		
Bond Interest Expense	915.8	874.5
Amortized Bond Issuance Expense	21.8	19.9
Administrative Expenses	55.0	58.4
Additional Subsidy Provided	130.5	175.0
<i>Total Expenses</i>	1,123.1	1,127.8
Nonoperating Revenues and Expenses		
Federal Contribution (Cash Draws)	1,715.7	1,505.7
State Contributions	150.0	162.2
Transfers from (to) DWSRF	7.6	(7.9)
<i>Total Nonoperating Revenues (Expenses)</i>	1,873.2	1,660.0
Increase (Decrease) in Net Assets	2,043.5	1,787.3
Net Assets		
Beginning of Year	44,378.0	46,421.5
End of Year	46,421.5	48,208.8

Operating revenues exceeded operating expenses by \$128 million. While the current low interest environment continued to depress CWSRF interest earnings, states have reduced their expenditures on bonds by refinancing their debt at lower interest rates. The impact of reduced interest expenses on bonds could be expected to benefit growth in net assets for the foreseeable future, particularly as rising market rates increase earnings on investments.

Operating revenues are also affected by the additional subsidies in the form of grants or principal forgiveness that have been required since the American Recovery and Reinvestment Act of 2009. The subsidies reduce the principal and interest repayments to the program, which benefit borrowers but at the same time reduce program revenues. The subsidy also increases the operating expenses.

CWSRF program equity (net assets) increased by \$1.8 billion in FY 2016. This increase reflects the states' efforts to minimize expenses while maximizing funds awarded for projects.

Statement of Cash Flows (Millions of Dollars)

Operating Activities	FY 2015	FY 2016
Cash Draws from Federal Capitalization Grants	1,715.7	1,505.7
Contributions from States	150.0	162.2
Project Disbursements (Including Additional Subsidy)	(5,111.0)	(5,994.3)
Loan Principal Repayments	3,915.6	4,093.0
Interest Received on Loans	997.1	1,004.9
Administrative Expenses	(55.0)	(58.4)
<i>Total Cash Flows from Operating Activities</i>	1,612.3	713.1
Noncapital Financing Activities		
Gross Leveraged Bond Proceeds	612.4	1,902.3
Bond Issuance Expense	(7.7)	(14.1)
State Match Bond Proceeds	118.3	112.5
Cash Received from Transfers with DWSRF	7.6	(7.9)
Interest Paid on Leveraged and State Match Bonds	(915.8)	(874.5)
CWSRF Funds Used for Refunding	(161.6)	(327.4)
Principal Repayment of Leveraged Bonds	(1,515.7)	(1,465.8)
Principal Repayment of State Match Bonds	(155.1)	(106.8)
<i>Net Cash Provided by Noncapital Financing Activities</i>	(2,017.4)	(781.9)
Cash Flows from Capital and Related Financing Activities	0.0	0.0
Investing Activities		
Interest Received on Investments	296.3	250.3
Release (Deposit) of Leveraged Bond Debt Service Reserve	247.1	354.3
<i>Net Cash Provided by Investing Activities</i>	543.4	604.5
Net Increase (Decrease) in Cash and Cash Equivalents	138.3	535.8
Cash and Cash Equivalents		
Beginning of Year	12,286.3	12,424.6
End of Year	12,424.6	12,960.4

Statement of Net Assets (Millions of Dollars)

Assets	FY 2015	FY 2016
Cash and Cash Equivalents	12,424.6	12,960.4
Debt Service Reserve - Leveraged Bonds	4,389.9	4,035.6
Loans Outstanding	48,596.2	50,322.5
Unamortized Bond Issuance Expenses*	254.3	248.6
Total Assets	65,665.0	67,567.0
Liabilities		
Match Bonds Outstanding	598.8	604.5
Leveraged Bonds Outstanding	18,644.8	18,753.8
Total Liabilities	19,243.6	19,358.3
Net Assets		
Federal Contributions (Cash Draws)	37,743.5	39,249.2
State Contributions	5,329.4	5,491.6
Transfers - Other SRF Funds	(511.9)	(519.8)
Other Net Assets	3,860.5	3,987.8
Total Net Assets	46,421.5	48,208.8
Total Liabilities and Net Assets	65,665.0	67,567.0

* Unamortized bond issuance expenses are costs that have been incurred but have not been fully recognized (amortized). These costs will be recognized (amortized) over time over the remaining life of the bonds outstanding, similar to a pre-paid expense, and consistent with GAAP.

Total assets and total liabilities both saw an increase in FY 2016, by \$1.9 billion and \$115 million respectively. As a result, net assets increased by \$1.8 billion. This was a 3.9 percent increase from the previous year and reflects the strong overall growth of the CWSRF programs.

Total assets have grown at a slower rate from FY 2012 through FY 2016 than in many of the previous years. This is believed to be due to lower overall levels of leveraging activity, additional subsidization, and lower investment earnings. At the same time, Loans Outstanding continue to grow at a steady rate, increasing 28 percent in the last ten years.



PISCES: Performance and Innovation in the SRF Creating Environmental Success

The 29 year history of the CWSRF programs is a story of tremendous financial and environmental success, but it is also a story marked by change. State programs don't have the luxury of remaining static in their approach to infrastructure finance because the environmental and economic challenges communities face are continually evolving. CWSRF programs and the communities they serve are collaborating to meet infrastructure challenges head on, and their efforts are producing tangible results. The funding partnership between borrower and funding agency is a wellspring of creativity that produces infrastructure solutions and safeguards public health and water quality.

EPA's Performance and Innovation in the SRF Creating Environmental Success (PISCES) Program proposes to bring these efforts to light and recognize individuals at the community level for their hard work and dedication. In 2017, PISCES will recognize eligible recipients that make innovative contributions to the advancement of water quality through the CWSRF programs. Projects will be recognized based on their merits under the following evaluation criteria:

Water Quality, Public
Health, or Economic
Benefits

Sustainability

Environmental
Innovation

Participation in PISCES is voluntary, but EPA welcomes participation from all CWSRF programs. In the spring of each calendar year, a national call will go out inviting states to nominate one project for recognition. States that elect to participate will fill out a nomination template that describes the project and how it satisfies one or more of the evaluation criteria. Nomination templates must be submitted to EPA by July 1 of each year. Once approved, a certificate of recognition will be prepared for the recipient community for each project. Approved projects and their associated funding agencies will also be published in an annual project compendium produced by EPA.

After projects are reviewed and approved, a panel comprised of staff from EPA will select five projects from those submitted. These projects will be judged by the EPA panel to be exceptionally distinguished, deserving special recognition with respect to the PISCES evaluation criteria. Each of the five selected projects will be featured on posters that will be displayed at the Council of Infrastructure Financing Authority's National Workshop held each fall. The five selected project communities will receive a plaque and will have their project recognition announced by the Director of EPA's Office of Wastewater Management.

To be nominated for PISCES, a project must have an executed assistance agreement in place. The project's size or cost should not be a determining factor in the selection process. Projects may be nominated during any phase of their development, from planning and design through completion. Planning and design are eligible so long as the plan has a reasonable prospect of producing one or more eligible capital projects.

The hard work and commitment of state programs and the communities they support built and maintained the largest source of public water quality financing in the country, yet there is work left to do. Communities continue to face serious technical, financial, and managerial challenges when it comes to financing water infrastructure. CWSRF programs must continue to lead the way, providing environmental and financial benefits where they are needed most. PISCES will tell that story.

To learn more about PISCES or obtain a copy of the nomination template and evaluation criteria, please visit the national CWSRF website at www.epa.gov/cwsrf.

Questions about PISCES can be directed to Michael Goralczyk at goralczyk.michael@epa.gov or the CWSRF website.

Innovative Stewards

State programs and their community funding partners are to be commended for their joint dedication to the protection of public health and water quality. They are the innovators and stewards that build, operate, and maintain our nation's critical wastewater infrastructure assets.



CWSRF Success Stories

Region 10

Coeur D'Alene, ID: Beginning in 2010, a series of three phased loans totaling \$40.7 million have allowed the city of Coeur D'Alene to construct additional primary and secondary wastewater treatment infrastructure, upgrade tertiary filtration capabilities, and adopt a new chemical treatment system. These phased loans have a weighted average interest rate of 1.75% which will save Coeur D'Alene over \$11.4 million in interest costs over time.

Region 8

Whitefish, MT: The CWSRF program provided an \$8.4 million for the purchase of "developmental rights" to 3,020 acres of forested land, to prevent future residential development in an area that has 2 active surface water intakes for the City of Whitefish's drinking water system. The easement will also protect exceptional wildlife habitat for grizzlies, Canada lynx, wolverine and numerous other species. The total cost of this project was \$16.7 million, with the remainder of the funding mostly coming from the US Forest Service, U.S. Fish and Wildlife Service, and a generous donation from the land owner (\$3.9 million).

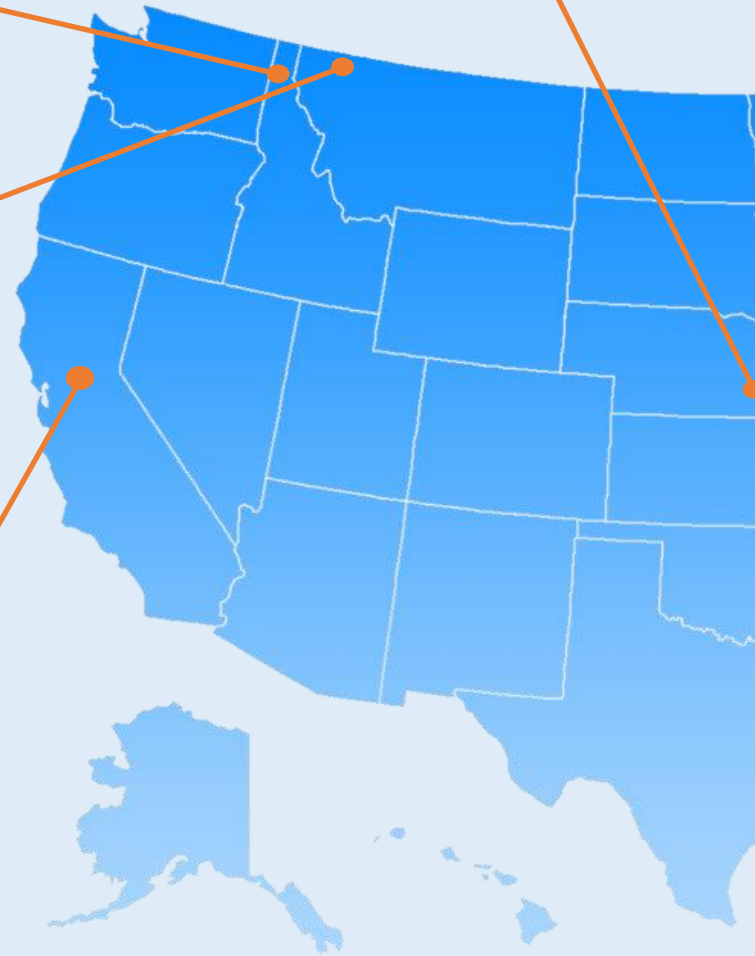
Region 9

Sacramento, CA: With nearly \$1.6 billion in CWSRF funding the EchoWater Project is one of the largest public works projects in Sacramento's history. When completed, infrastructure upgrades will reduce ammonia discharged to local waters by 95%. Favorable loan terms will also save rate payers over half a billion dollars in interest payments.

Region 7

Nebraska Department of Environmental Quality:

Over 75% of communities in the state of Nebraska have populations of less than 800. Nebraska's CWSRF understands the challenges small communities face in financing critical infrastructure and is providing relief through its Small Town Grant Program. To date, the program has provided over \$8 million to eligible CWSRF projects.



The Clean Water State Revolving Fund programs have made a unique, lasting contribution to the protection and restoration of our nation's waters.

Region 5

Ohio Environmental Protection Agency:

Since 2015, the Ohio CWSRF has awarded over \$145 million at a 0% interest rate for projects at publicly-owned wastewater treatment plants aimed at reducing the levels of phosphorus and other nutrient pollutants that give rise to algal blooms. The discounted rates are made available for the portion of the project that is directly attributable to the nutrient reduction. Funds can be used for planning, design, and construction. Priority is given to projects that are in the Lake Erie watershed or other nutrient excessive areas.

Region 2

Hudson, NY: A grant from the New York CWSRF program allowed the City of Hudson to construct a network of green infrastructure practices that will manage stormwater runoff and reduce combined sewer overflows to the Hudson River, the drinking water source for other communities. The green infrastructure practices are part of a storm sewer separation project that eliminates a portion of the City's stormwater from entering the collection system.

Region 1

Great Barrington, MA: This \$4 million project included the replacement of aging equipment, achieving higher levels of phosphorous removal, and repairs to the treatment plant's collection system to address infiltration and inflow. Upgrades will improve system reliability and substantially reduce phosphorous loads discharged to the Housatonic River.

Region 3

Delaware Department of Natural Resources and Environmental Control:

Control: The state's CWSRF program provides loans directly to farmers to ensure that nonpoint source pollution from the farms is addressed in a manner that is environmentally sound and cost effective. The farmers sell their products to the producers who in turn repay the farmers' CWSRF loans directly to DNREC under the partnership agreement. The producers remit the balance owed to the farmers. Below-market interest rates and flexible repayment terms help farmers implement nutrient management techniques, composting systems, and other agricultural best practices that protect the integrity of Delaware's waters.

Region 6

North Fort Bend Water Authority, TX:

The Texas CWSRF is providing over \$11 million to the North Fort Bend Water Authority for the construction of the Grand Lakes Reclaimed Water System. The reuse system will treat effluent which will help to maintain amenity lake levels and irrigate green spaces. This system is anticipated to supply over half a million gallons of reuse water each day through approx. 52,000 feet of purple pipe. By reusing treated wastewater, the district will be reducing the amount groundwater pumped and will assist in meeting the Fort Bend Subsidence District regulations on alternative water usage.

Region 4

Grand Strand, SC:

When three separate wastewater treatment facilities were approaching the limit of their treatment capacity, the Grand Strand Water and Sewer Authority found an infrastructure solution through the South Carolina CWSRF program. The construction of a new treatment facility modernized aging infrastructure and increased treatment capacity by consolidating and interconnecting with the existing facilities, all with the favorable loan terms that are the hallmark of the CWSRF.

State Agencies That Manage CWSRF Programs

EPA Region 1 – Boston, Massachusetts

Connecticut Department of Environmental Protection
Connecticut Office of the Treasurer
Maine Municipal Bond Bank
Maine Department of Environmental Protection
Massachusetts Water Pollution Abatement Trust
Massachusetts Department of Environmental Protection
New Hampshire Department of Environmental Services
Rhode Island Clean Water Finance Agency
Rhode Island Department of Environmental Management
Vermont Department of Environmental Conservation
Vermont Municipal Bond Bank

EPA Region 2 – New York, New York

New Jersey Department of Environmental Protection
New Jersey Environmental Infrastructure Trust
New York State Environmental Facilities Corporation
New York Department of Environmental Conservation
Puerto Rico Environmental Quality Board
Puerto Rico Infrastructure Financing Authority

EPA Region 3 – Philadelphia, Pennsylvania

Delaware Department of Natural Resources and Environmental Control
Maryland Department of the Environment
Pennsylvania Infrastructure Investment Authority
Pennsylvania Department of Environmental Protection
Virginia Department of Environmental Quality
Virginia Resources Authority
West Virginia Development Authority
West Virginia Department of Environmental Protection
West Virginia Infrastructure and Jobs Development Council

EPA Region 4 – Atlanta Georgia

Alabama Department of Environmental Management
Florida Department of Environmental Protection
Georgia Environmental Facilities Authority
Georgia Environmental Protection Division
Kentucky Infrastructure Authority
Kentucky Division of Water
Mississippi Department of Environmental Quality
North Carolina Department of Environmental and Natural Resources
South Carolina Department of Health and Environmental Control
South Carolina Budget and Control Board
Tennessee Department of Environment and Conservation
Tennessee Comptroller of the Treasury

EPA Region 5 – Chicago, Illinois

Illinois Environmental Protection Agency
Indiana Department of Environmental Management
Indiana Finance Authority
Indiana State Budget Agency
Michigan Department of Environmental Quality
Michigan Municipal Bond Authority
Minnesota Pollution Control Agency
Minnesota Public Facilities Authority
Minnesota Department of Agriculture
Ohio Environmental Protection Agency
Ohio Water Development Authority
Wisconsin Department of Natural Resources
Wisconsin Department of Administration



EPA Region 6 – Dallas, Texas

Arkansas Natural Resources Commission
Arkansas Development Finance Authority
Louisiana Department of Environmental Quality
New Mexico Environment Department
Oklahoma Water Resources Board
Texas Water Development Board

EPA Region 7 – Kansas City, Missouri

Iowa Department of Natural Resources
Iowa Finance Authority
Kansas Department of Health and Environment
Kansas Department of Administration
Kansas Development Finance Authority
Missouri Department of Natural Resources
Missouri Environmental Improvement and Energy Resources Authority
Nebraska Department of Environmental Quality
Nebraska Investment Finance Authority

EPA Region 8 – Denver, Colorado

Colorado Water Resources and Power Development Authority
Colorado Department of Public Health and Environment
Colorado Department of Local Affairs

Montana Department of Environmental Quality
Montana Department of Natural Resources and Conservation

North Dakota Department of Health
North Dakota Public Finance Authority
South Dakota Department of Environment and Natural Resources
Utah Department of Environmental Quality
Wyoming Department of Environmental Quality
Wyoming Office of State Lands and Investments

EPA Region 9 – San Francisco, California

Arizona Water Infrastructure Finance Authority
California State Water Resources Control Board
Hawaii Department of Health
Nevada Department of Conservation and Natural Resources

EPA Region 10 – Seattle Washington

Alaska Department of Environmental Conservation
Idaho Department of Environmental Quality
Oregon Department of Environmental Quality
Washington Department of Ecology

To access state program web sites please visit:

www.epa.gov/cwsrf



The public health and environmental protection benefits provided by the CWSRF wouldn't be possible without the dedicated implementation efforts of EPA's state partners. Their work is the foundation of the program's success.



For more information about the Clean Water State Revolving Fund, please contact us at:

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Office of Wastewater Management
Clean Water State Revolving Fund Branch
1200 Pennsylvania Avenue NW (4204M)
Washington, DC 20460

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