Maine CDC Drinking Water Program

DWSRF 2021

Drinking Water State Revolving Fund

OZONE GENERATOR VENT
DESTRUCT UNIT
AE 209
AE/AIT-208 AMBIENT OZONE
1/4"-V-SS/2
30" DI PIPELINE REACTOR
NOTE 1
V24
1/4"-CA-CU/1
AIR PRESS.
ZSL
V25
3/4"-OZ-SS/2
VENTURI
TO BPD
TRACE WIRE
BOLT
UNDERDRAIN
1/2"-FW-CU/1
HEAT EXCHANGER CONDENSATE DRAIN
BACKFLOW PREVENTION DEVICE
HOR
HS
PROPOSED UV & OZONE BUILDING F.F. EL. 457.67
18" MIN.
24" MAX.
4" DRAIN
FINISH GRADE
PIT
M
PROVIDE APPROX. 20 LF OF 1 1/4" PROPANE LINE
P-202
OZONE SIDESTREAM PUMP #2
1-1/2" WATER SERVICE
VENTURI
FLASH REACTOR
COMPRESSED AIR SIDESTREAM SKID
VALVE BOX
EXISTING PUMP STATION F.F. EL. 457.67
MAIN
V37
BACKFLOW PREVENTION DEVICE
FINISHED WATER
4-6" MIN. COVER
6" GATE VALVE
4" PERF UNDERDRAIN (TYP)
TO DESTRUCT
PI
1-1/4" PROPANE VAPOR LINE
P-203
OZONE SIDESTREAM PUMP #1
DEGASS
SEPARA

DWSRF 2021 Maine CDC Drinking Water Program
Drinking Water State Revolving Fund

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Maine CDC Drinking Water Program

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Introduction

Dear Reader:

These are unprecedented times for the drinking water industry, with a significant influx in infrastructure funding fueling the ability to upgrade aging water system components and position public water systems for the challenges that lie ahead. All of us now share the considerable responsibility of ensuring that these funds can be allocated and utilized effectively to address the existing needs.

The Drinking Water State Revolving Fund (DWSRF) has been a reliable tool for the disbursement of infrastructure funding since 1997, and the additional monies available through the passage of the Federal *Infrastructure Investment and Jobs Act* (also known as the *Bipartisan Infrastructure Law*, or BIL) will be allocated in a similar manner. Maine is expected to receive base and supplemental capitalization grants, as well as an emerging contaminant grant and a lead service line replacement grant, totaling over $360 million over the next five years. This is more than the total amount of DWSRF funds disbursed over the program's entire 24-year history.

The Maine Drinking Water Program (DWP) is committed to an open and equitable process to allocate the available funding, taking into account relative project needs. The DWP will strive to make the application process as streamlined as possible, and work with small and disadvantaged communities to ensure that they have access to these funds as needed. These funds have the potential to address long-standing drinking water infrastructure issues and set the industry up for success in the future, while allowing public water systems to make much needed improvements while maintaining sustainable and equitable water rates.

During 2021, COVID continued to challenge the industry, with workforce and supply chain issues constraining projects. Despite this, most of the projects planned for 2021 were able to proceed as scheduled. This is a testimony to staff at the DWP and the Maine Municipal Bond Bank, as well as to the public water systems, consultants, and contractors working on these projects.

I am grateful for the dedication of those focused on ensuring that safe, reliable, and affordable drinking water is available to the citizens of Maine, now and into the future.

Best,

Amy Lachance
Drinking Water Program Manager, Maine CDC

About the Maine Drinking Water Program

The Maine CDC Drinking Water Program (DWP) works to ensure safe drinking water and protect public health in Maine by administering and enforcing drinking water and subsurface wastewater regulations and providing educational, technical, and financial assistance. The DWP administers the National Primary Drinking Water Regulations under the Safe Drinking Water Act (SDWA); for this, Maine was granted primacy by the United States Environmental Protection Agency (EPA).

Drinking Water and Public Health

The United States has some of the safest public drinking water supplies in the world. Over 286 million Americans consume tap water from public water systems. However, drinking water sources are susceptible to pollution and sometimes require appropriate treatment to remove disease-causing contaminants.

Contamination of drinking water supplies can occur in both the source water and the distribution system. Sources of water contamination include naturally occurring chemicals and minerals (e.g., arsenic, radon, uranium), local land use practices (e.g., fertilizers and pesticides), manufacturing processes, and sewer overflows or wastewater releases. The presence of contaminants in water can lead to adverse health effects; infants, young children, pregnant women, older populations, and those with compromised immune systems may be especially susceptible to illness from some contaminants.

Depending on the type of public water system and water source, water quality testing is required for a variety of contaminants on a routine basis.

Public Water Systems

A public water system provides water for human consumption through pipes and other constructed conveyances (distribution system) to at least 15 service connections, or serves a minimum of 25 people per day for at least 60 days per year. The water is usually drawn from exclusive sources: some systems own wells, while others utilize surface water (e.g., lakes and streams).

Regardless of size and complexity, all public water systems require human oversight, and every piece of equipment requires some level of maintenance. Some water systems must employ licensed water operators with qualifications that match the complexity of the water system equipment.

While the DWP serves as the regulatory body for public drinking water in Maine, the public water systems are responsible for ensuring their ability to provide safe drinking water. These responsibilities include routine operations and maintenance, regular sampling of post-treatment drinking water, and reporting data to both the DWP and the consumers they serve.

About the DWSRF

The Drinking Water State Revolving Fund (DWSRF) is a State-operated program that provides financial assistance to Maine public water systems, helping to ensure safe drinking water and provide essential public health protection. Funding for drinking water infrastructure improvement projects – upgrading or replacing water system pipes, treatment plants, storage tanks, and sources of water – is available as low interest loans. Disadvantaged Community Water Systems may receive further assistance through principal forgiveness.

Federal allocations for the fund were included in the 1996 amendments to the SDWA, while states match 20% of Federal grant dollars. This means that every dollar invested by the State of Maine secures five Federal dollars. For 2021, Maine invested over $2.2 million, allowing the State to access $11.1 million in Federal funding. Combined with funds generated through repayment of prior year DWSRF loans, plus $5 million of Maine Jobs Recovery Plan Funds (MJRP), the Drinking Water Program offered approximately $21 million in loans for drinking water improvement projects in Maine.

A portion of the DWSRF is used to fund non-construction projects that help improve and protect drinking water quality in Maine. These programs provide funds for source water protection, technical assistance, system capacity development assistance, and land acquisition. Programs include Wellhead Protection Grants, Source Water Protection Grants, System Asset Security Grants, Capacity Development Grants, Very Small System Compliance Loans, System Consolidation Grants, and Land Acquisition Loans.

The Department of Health and Human Services (DHHS) and the Maine Municipal Bond Bank (MMBB) administer the DWSRF together. The Drinking Water Program is the lead administrator, responsible for project management and technical support, as well as overseeing the construction activities for projects funded by the DWSRF. The MMBB is the financial administrator and oversees the loan application process and tracks money to and from the fund.

Since 1997, the Maine DWSRF has provided grants and loans totaling over $335 million to public water systems for capital improvement projects to comply with the SDWA.

SRF
State Revolving Loan Fund

Maine Municipal Bond Bank

Keeping Maine's Drinking Water Safe

The DWP promotes a core message of four principles that ensure public water systems provide safe drinking water to their customers: source protection, sampling, treatment, and maintenance of tanks and pipes. The core message encourages public water systems to continually work to identify, reduce, and eliminate risks and vulnerabilities to their water systems. The DWSRF helps make this possible.

Source Protection

The ideal drinking water source is in a remote, forested natural area with no nearby sources of pollution. However, most water sources are located near more densely populated areas, increasing the vulnerability of the source to contamination. Contamination, whether from harmful chemicals or biological organisms, often comes from activities on the land close to a drinking water source. The SDWA requires all public water systems to produce safe water through a multiple-barrier approach. Source protection is the first and most important component of these barriers. If pollutants never reach a drinking water source, the risk for human consumption is greatly diminished – even if other barriers fail. Additionally, treating a contaminated drinking water source is typically much more costly than protecting a drinking water source area.

Sampling

Sampling is considered the best way of determining the quality of drinking water and ensuring it is free of contaminants. In Maine, public water systems are required to regularly test the water they provide to consumers and report the results to the DWP. The SDWA lists 86 contaminants for which water systems must test. Sampling on a regular schedule will also indicate whether a water system is performing the way it is designed, and can help draw attention to potentially serious problems with the source, treatment, or distribution system.

Treatment

Although no two public water systems are exactly the same, they all share the same goal of providing safe, reliable drinking water to the communities they serve. To meet this goal, many water systems must treat their water to remove potentially harmful contaminants. The types of treatment provided by a public water system vary depending on the size of the system, the source (groundwater or surface water), and the quality of the source water. An important part of delivering safe drinking water, treatment is only successful when the proper chemicals are applied in the correct amounts and all equipment and materials are regularly maintained and monitored. Effective maintenance and operation of treatment systems helps to ensure that high-quality drinking water is delivered to the public.

Maintaining Pipes and Storage Tanks

A water system's distribution system, a network of piping and storage tanks, is an integral part of its ability to provide safe, clean water to consumers. It is important for water systems to regularly inspect their distribution systems as contaminants can enter drinking water through damaged pipes or tanks. Routine inspection and maintenance may also help water systems save money if they are able to find and repair leaks in a timely manner to abate water loss.

The State of the DWSRF in Maine

The State of Public Water Systems in Maine

Historically, it has been the trend that Public Water Systems will undertake major improvement programs once every 5-10 years, generally replacing less than 3% of their aging or obsolete infrastructure. When we do the math, it becomes clear that this approach is not sustainable, and it will have these systems' assets aging to failure.

How can the DWSRF help address our aging drinking water infrastructure? It's time to find out.

Since the DWSRF Program was introduced in 1997, 406 projects have been funded in Maine, with a total outlay of approximately $335 million. In August 2021, the DWP issued the annual call for DWSRF Project applications. At the same time, a decision to blend Federal *American Rescue Plan Act* (ARPA) funds and Infrastructure *Investment and Jobs Act*[1] funds for increased principal forgiveness was announced. The resulting response was enormous: the DWP received 91 applications from 54 public water systems, with total requested funds topping $145 million. As recently as 2015, Maine PWS annual funding needs were estimated to be just $69 million per year for the next 20 years.

[1] Public Law 117-58, also known as the *Bipartisan Infrastructure Law* (BIL)

The Maine Drinking Water Program Plan for Distributing ARPA Funds

In 2021, ARPA was signed into law. Subtitle M of ARPA provides funds that may be used for drinking water infrastructure (among other uses). ARPA provides funding to cover costs incurred by state, county, and local governments. Those funds must be allocated by December 31, 2024, and fully spent by December 31, 2026. There are four eligible uses of the funds in Subtitle M, and one of them is:

"(D) to make necessary investments in water, sewer, or broadband infrastructure."

Maine's total estimated state government share is approximately $997 million. Governor Mills has proposed $25 million of the state funds be used for drinking water infrastructure. The DWP is planning to target the funds at the areas of need listed below:

1. Approximately $5 million (20%) of the funds for additional subsidies for all 2021 DWSRF Projects on the Primary List evenly distributed. The public water systems receiving these funds have been notified and we have committed the funds.

2. Approximately $8 million (32%) of the funds for additional subsidies for the 2022 DWSRF projects on the Primary List. These funds are directed at the $145 million of 2022 DWSRF applications allowing the DWSRF to fund approximately $60 million with 47% subsidies.

3. Approximately $5 million (20%) of the funds for additional subsidies for all 2023 DWSRF projects on the Primary List. Applications are due September 30, 2022.

4. Approximately $6 million (24%) will be added to the State Drinking Water Grant Fund. This fund will be used to address lead contamination mitigation, emerging contaminants, imminent threats to public health, and sustainability for small community water systems. To apply, public water systems must submit a letter stating the need, describing the expected resolution, and projecting a budget.

5. Approximately $1 million (4%) of the funds are reserved for assisting with administering the state grant program.

What the Bipartisan Infrastructure Law Will Mean for Maine Public Water Systems

The *Bipartisan Infrastructure Law* (BIL) has a total investment value of $1.2 trillion. To put this amount in perspective, a stack of 1.2 trillion dollar bills would stand over 70,000 *miles* high – more than a quarter of the way to the moon! Although less than 4% of the BIL is targeted at the nation's water infrastructure, that still amounts to more than $42 billion. For the Maine DWSRF, BIL will add the following funds to the annual Capitalization Grant for the years 2022-2026:

- BIL reauthorized the DWSRF for five years at unprecedented levels, but we have yet to see how these authorizations will translate to Maine's DWSRF Base Capitalization Grant.

- Supplemental Capitalization Grants totaling approximately $143 million. These funds require a state match of 10% for years 2022 & 2023 and 20% for years 2024-2026. The required subsidy is 49%.

- Capitalization Grants to address emerging contaminants totaling approximately $38 million. These funds require no state match and are 100% subsidy.

- Capitalization Grants to address lead service line replacement totaling approximately $146 million. These funds require no state match and are 49% subsidy.

Maintaining and upgrading Maine's infrastructure is vital to our economy, health, safety, security, and to the environment. With the influx of funding, it is critical that the DWP find the necessary state match. The tables on the following pages detail state match requirements, historical DWSRF funding, and 2021 DWSRF projects.

State Matching-Fund Requirements by Year

Year	DWSRF Base Capitalization Grant	BIL Supplemental Capitalization Grant	Total State Match
2017	$8,241,000	N/A	$1,648,200
2018	$11,107,000	N/A	$2,221,400
2019	$11,478,000	N/A	$2,295,600
2020	$11,011,000	N/A	$2,202,200
2021	$11,100,000	N/A	$2,220,000
2022	$7,100,000	$17,955,000	$3,215,500
2023	$11,000,000	$20,700,000	$5,470,000
2024	$15,000,000	$22,500,000	$8,200,000
2025	$18,000,000	$24,300,000	$8,860,000
2026	$18,000,000	$24,300,000	$8,860,000

Figures on shaded years are estimates for planning purposes.

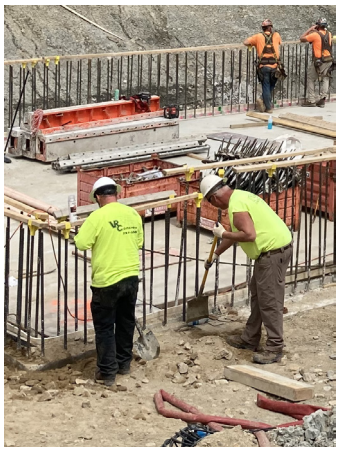
Historical DWSRF Funding in Maine

SRF Year	Applications	Funds Requested	Projects Funded	Funds Available	Percent Funded
1997-2003	25	$27,397,698	15	$20,259,821	74%
2004	23	$27,078,284	15	$14,705,022	54%
2005	38	$25,678,324	17	$13,582,030	53%
2006	32	$24,808,804	18	$13,422,467	54%
2007	38	$27,865,066	23	$13,296,265	48%
2008	40	$22,486,004	24	$15,024,554	67%
2009	146	$111,304,994	42	$27,113,183	24%
2010	63	$40,743,561	29	$15,527,319	38%
2011	51	$36,564,627	17	$10,651,133	29%
2012	44	$48,944,460	13	$12,086,092	25%
2013	34	$27,647,274	19	$12,777,515	46%
2014	48	$23,998,164	32	$17,415,798	73%
2015	36	$38,368,164	19	$19,100,000	50%
2016	36	$32,016,096	25	$19,647,000	61%
2017	47	$28,916,223	30	$21,465,645	74%
2018	34	$30,133,054	27	$24,037,035	80%
2019	31	$45,232,571	14	$24,061,000	53%
2020	28	$39,435,000	15	$22,392,000	57%
2021	47	$74,319,000	12	$17,523,000	24%
Totals Thru 2021	**841**	**$732,937,368**	**406**	**$334,086,879**	**46%**
New in 2022	**95**	**$145,862,000**	**30 + 51 Designs**	**$60,000,000**	**38**

DWSRF Construction Projects Completed in 2021

Water System	Towns Served	Brief Project Description	Commenced	2021 Funded Amount
Bangor Water District	Bangor, Clifton, Eddington, Hampden, Hermon, Orrington, Veazie	Water main replacements on State St. and Spruce St. (Bangor)	2020	$1,263,000
Caribou Utilities District	Caribou	Water main replacements in six areas	2020	$1,128,950
Kennebunk, Kennebunkport, & Wells Water District	Kennebunk, Kennebunkport, Wells	Water main replacement on Old Farm Lane Rd. & Island Beach Rd. (Wells)	2020	$3,477,430
Maine Water Co., Biddeford-Saco	Biddeford, Saco	Water system improvements to replace Saco River intake and raw water pump station	2020	$4,000,000
Portland Water District	Cape Elizabeth, Cumberland, Falmouth, Gorham, Portland, Raymond, Scarborough, South Portland, Standish, Westbrook, Windham	Water main replacement along Mackworth St. & Ocean Ave. (Portland)	2020	$2,100,000
Kennebec Water District	Fairfield, Oakland, Vassalboro, Waterville, Winslow	Replacement of water mains along Benton Ave. (Winslow)	2021	$1,155,000

Portland Water District



Maine Water Company, Biddeford-Saco

Caribou Utilities District

Kennebec Water District

Non-Construction SRF Projects

Source Water Protection Grants

The Source Water Protection Grant Program awards grants to community and non-profit, non-community public water systems for projects that will help protect their surface water source from contamination. Specifically, grants are awarded for projects that demonstrate a commitment to the ongoing protection of a drinking water source.

In 2021, grants up to $5,000 per project were awarded; a few grants of $10,000 were available depending on the scope of the project. In 2022, those amounts were increased to $10,000 and $20,000 respectively.

Wellhead Protection Grants

The Wellhead Protection Grant Program awards grants to community and non-profit, non-community public water systems for projects that will help to protect their groundwater source from contamination. As with Source Water Protection grants, these grants are awarded for projects that demonstrate a commitment to the ongoing protection of a drinking water source.

For 2022, grants of up to $10,000 per project will be awarded; a few grants of $20,000 will be available, depending on the scope of the project. This is an increase from 2021, when grants of $5,000 and $10,000, respectively, were available.

Water System Asset Security Grants

Water System Asset Security Grants are for planning or implementing security measures to protect water system assets. Community and non-profit, non-community public water systems are eligible. Examples of applicable projects include, but are not limited to, planning and/or implementation of physical security measures, implementation of cybersecurity projects*, and risk and resilience assessment for public water systems serving under 3,300 people. (*Cybersecurity assessments are required for these types of projects.)

In 2021, grants up to $5,000 per project were awarded; a few grants of $10,000 were available depending on the scope of the project. In 2022, those amounts were increased to $10,000 and $20,000 respectively.

Capacity Development Grants

Capacity Development Grants provide funds for public water systems seeking to develop or improve their technical, financial, and/or managerial operations (i.e., capacity). Water systems can receive grants for up to 50% of the cost of a study or review that will generate a report detailing possible improvements in system management, finances, and water quality. Maximum grant amount, $20,000.

Very Small System Compliance Loan

The Very Small System Compliance Loan Program was established in 2010 specifically to assist small water systems that are experiencing regulatory compliance issues. Eligible systems include all community systems not regulated by the Public Utilities Commission that have a population of 100 or less, and all non-transient, non-community water systems that operate as not-for-profit. Examples include mobile home parks, apartment buildings, nursing homes, and schools.

This loan program provides 100% principal forgiveness (up to $50,000) for water treatment improvements necessary to achieve compliance with a current or future SDWA requirement, excluding the Revised Total Coliform Rule. Examples of eligible projects include, but are not limited to, treatment systems to resolve compliance issues with lead, copper, radon, arsenic, or antimony levels.

Water System Consolidation Grants

Water System Consolidation Grants provide partial funding to join two water systems. Qualifying public water systems must have technical, managerial, and/or financial capacity issues that will be addressed by consolidating with a more viable public water system. The more viable, receiving public water system must have no technical, managerial, or financial capacity issues. Finally, the consolidation cannot result in capacity issues for the overall system.

The Consolidation Grant funds up to 50 percent of the cost of the water system consolidation for for-profit facilities, and up to 75 percent of the cost for not-for-profit facilities, with a maximum reimbursement of up to $100,000.

Land Acquisition Loans

The Land Acquisition Loan program provides low interest loans to community and non-profit non-community public water systems for the purchase or legal control of land in drinking water source protection areas. Land acquisition is a key component of safe and secure drinking water and the protection of public health. Shoreline and direct watershed land use and development have a major impact on the quality of water available to a water system and control of those land uses is an extremely cost-effective way of managing future water treatment cost.

The 1996 Amendments to the SDWA stress the importance of preventing drinking water contamination through source water protection and water system management. The EPA has long maintained that “the best way to control activities within sensitive areas is to purchase land and/or development rights to that land.”[2]

Land Acquisition Loans continue to be made available to any water system that is presented with the opportunity to pur-

Non-Construction SRF Projects (continued)

chase land integral to the protection of their drinking water system. Land acquisition loans have ranged from a purchase of 2.3 acres all the way up to nearly 1,200 acres.

In 2019, the DWP updated the Land Acquisition Loan program to encourage more systems to invest in protecting their source waters. These low-interest loans will now be eligible for 50% principal forgiveness (up to $50,000) for the purchase of land and/or conservation easement in a drinking water source protection area.

[2] *Source Water Protection: Best Management Practices and Other Measures for Protecting Drinking Water Supplies* – US Environmental Protection Agency, 2003 https://tinyurl.com/EPASWP-2003

Brewer Water Department used SRF funding to help protect their source at Hatcase Pond.

Source Water Protection Grants Awarded in 2021

Public Water System	Towns Served	Grant Amount
Brewer Water Department	Brewer	$10,000.00
Great Salt Bay Sanitary District	Damariscotta, Newcastle	$3,300.00
Kennebec Water District	Fairfield, Oakland, Vassalboro, Waterville, Winslow	$10,000.00
Wilton Water Department	Wilton	$10,000.00
York Water District	York	$10,000.00

Wellhead Protection Grants Awarded in 2021

Public Water System	Towns Served / *Location*	Grant Amount
Averill's Mobile Home Park	*Benton*	$400.00
Grandeur Mobile Home Park	*Carmel*	$10,000.00
Hingham Heights Mobile Home Park	*Glenburn*	$10,000.00
Homestead Estates Mobile Home Park	*Glenburn*	$10,000.00
New England Music Camp Association	*Sidney*	$4,500.00
Old Town Water District	Old Town, Milford	$4,000.00
Pemaquid Point Lighthouse Park	*Bristol*	$5,300.00
Pittsfield Water Department	Pittsfield	$10,000.00
South Slope Estates Mobile Home Park	*Carmel*	$10,000.00
St. John Valley Tech Center	*Frenchville*	$3,800.00
Willowbrook Mobile Home Park	*Levant*	$10,000.00

Capacity Development Grants Awarded in 2021

Public Water System	Towns Served / *Location*	Project Description	Grant Amount
Anson and Madison Water District	Anson, Embden, Madison	Comprehensive system master plan	$12,500.00
Ashland Water & Sewer District	Ashland	Water source and treatment plant evaluation	$5,000.00
Belfast Water District	Belfast, Northport	Drought contingency plan	$5,000.00
Calais Water Dept.	Calais	Comprehensive system master plan	$10,000.00
Cornish Water District	Cornish	Comprehensive system master plan	$5,000.00
Dexter Utility District	Dexter	Comprehensive leak survey	$3,300.00
Dover-Foxcroft Water District	Dover-Foxcroft	Capital improvement plan	$10,000.00
Fryeburg Water Co.	Fryeburg	Comprehensive system master plan	$20,000.00
Jay Village Water District	Jay	System capacity evaluation for consolidation with Livermore Falls Water District	$5,800.00
Maine Water Co., Freeport Division	Freeport	Comprehensive system master plan	$20,000.00
Maine Water Co., Greenville Division	Greenville	Comprehensive system master plan	$16,500.00
Maine Water Co., Millinocket Division	Millinocket	Comprehensive system master plan	$20,000.00
Mechanic Falls Water Department	Mechanic Falls	GIS mapping of system infrastructure	$2,500.00
New England Music Camp	*Sidney*	Comprehensive system master plan	$9,800.00
North Jay Water District	Jay	System capacity evaluation for consolidation with Wilton Water Department	$6,300.00
Paris Utility District	Paris	Interconnection plan for Paris Utility District and Norway Water District	$12,500.00
Pittsfield Water Department	Pittsfield	Hydrogeological investigation for a new well	$20,000.00
Richmond Utilities District	Richmond	Comprehensive system master plan	$20,000.00
York Water District	York	Public water utility report for the Town of York's Comprehensive Plan	$10,000.00

Land Acquisition Loans Awarded in 2021

Public Water System	Towns Served	Acres	Loan Amount
Boothbay Region Water District	Boothbay	12	$77,000
Portland Water District	Cape Elizabeth, Cumberland, Falmouth, Gorham, Portland, Raymond, Scarborough, South Portland, Standish, Westbrook, Windham	7500	$600,000

Water System Asset Security Grants Awarded in 2021

Public Water System	Towns Served / *Location*	Grant Amount
Andover Water District	Andover	$9,000.00
Baileyville Utilities District	Baileyville	$5,000.00
Brewer Water Department	Brewer	$10,000.00
Castine Water Department	Castine	$7,300.00
Colonial Mobile Home Park	*Lebanon*	$1,600.00
Fort Knox	*Prospect*	$3,000.00
Greater Augusta Utility District	Augusta	$10,000.00
Hallowell Water District	Hallowell	$5,000.00
Kennebec Water District	Fairfield, Oakland, Vassalboro, Waterville, Winslow	$10,000.00
Kittery Water District	Kittery	$5,000.00
Limestone Water and Sewer District	Limestone	$5,000.00
Old Town Water District	Old Town	$10,000.00
Presque Isle Utilities District	Presque Isle	$10,000.00
Stonington Water Company	Stonington	$5,000.00
Sugarloaf Water Association	Carrabassett Valley	$6,300.00
The Meadows	*Greene*	$4,800.00
Whiting Village School	*Whiting*	$1,000.00
York Water District	York	$10,000.00

Closing the Funding Gap

Repayments from past DWSRF loans are currently returning over $10.6 million per year, going on to provide loans for new projects. With the “revolving” nature of the DWSRF, that amount will continue to increase as the DWSRF loan pool continues to grow.

In 2021, new DWSRF allocations combined with match- and repayment funds provided $21 million for new drinking water projects. Although this is an impressive sum, it did not address increasing funding needs to update and replace aging drinking water infrastructure in Maine.

Forty-seven DWSRF applications, representing $72.4 million in drinking water infrastructure improvements, were submitted for 2021 DWSRF funding. Unfortunately, available DWSRF project funds totaled only about $21 million, which secured financing assistance for about 29% of the requests. The 2022 DWSRF is expected to fund thirty-three Capital Improvement Projects worth more than $60 million and fully fund an additional fifty-one project designs to provide future shovel-ready Capital Improvements.

This funding gap is only a part of the challenge for properly maintaining public water system infrastructure. The current aging infrastructure replacement rate is inadequate. Funding levels below demand is only one factor in the slow infrastructure replacement rate. Many water systems are only addressing their most critical needs to minimize rate increases on customers. Consequently, the true funding gap is much larger than is currently suggested by project requests. Local leaders will increasingly need to make difficult choices to ensure water systems remain viable into the future.

Measures

Applications Funded Per Year

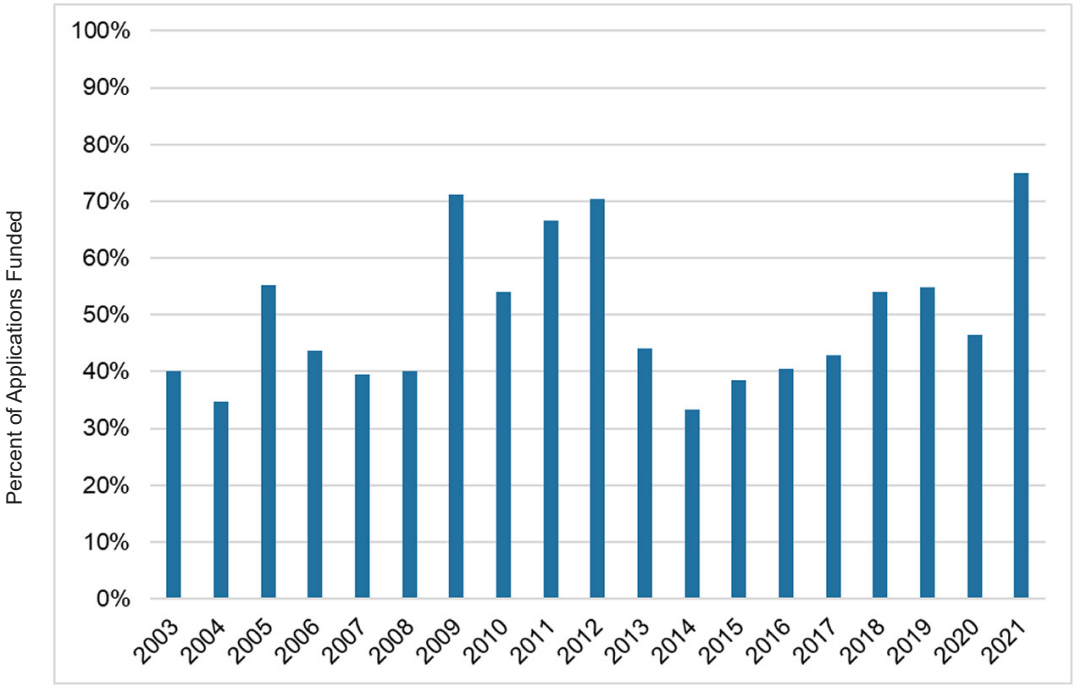


Figure 1. Public water system requests to fund projects continue to exceed available money through the DWSRF, highlighting the ongoing and continued need for water systems to make improvements to their infrastructure.

DWSRF Loan Commitments

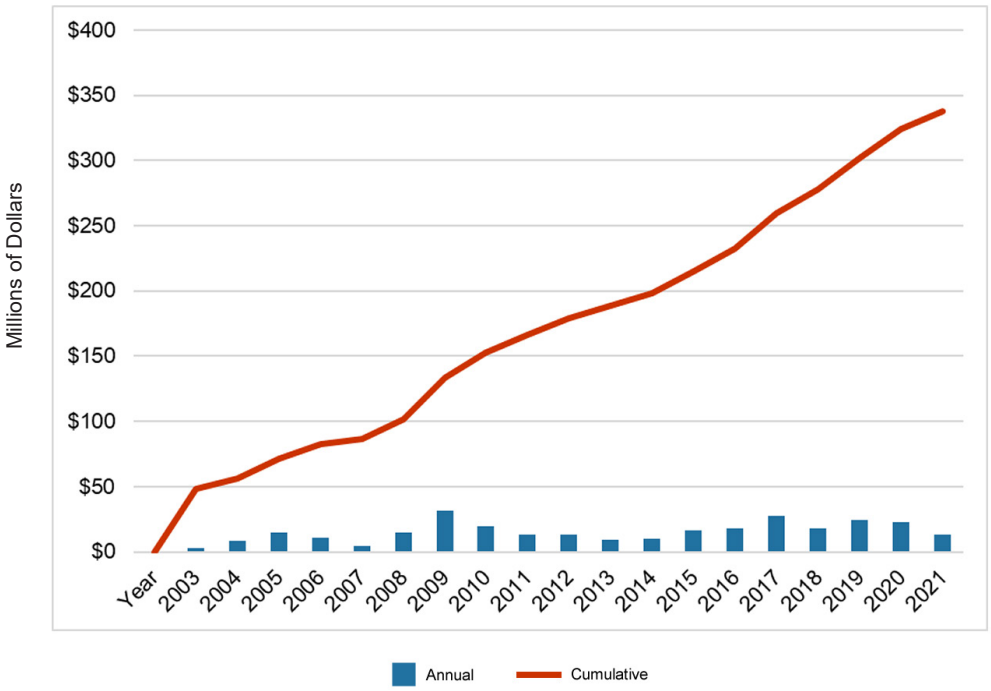


Figure 2. Since 1997, the DWSRF has provided more than $325 million in funding to public water systems for infrastructure improvement projects at Maine's public water systems.

Measures (continued)

DWSRF Loan Repayments

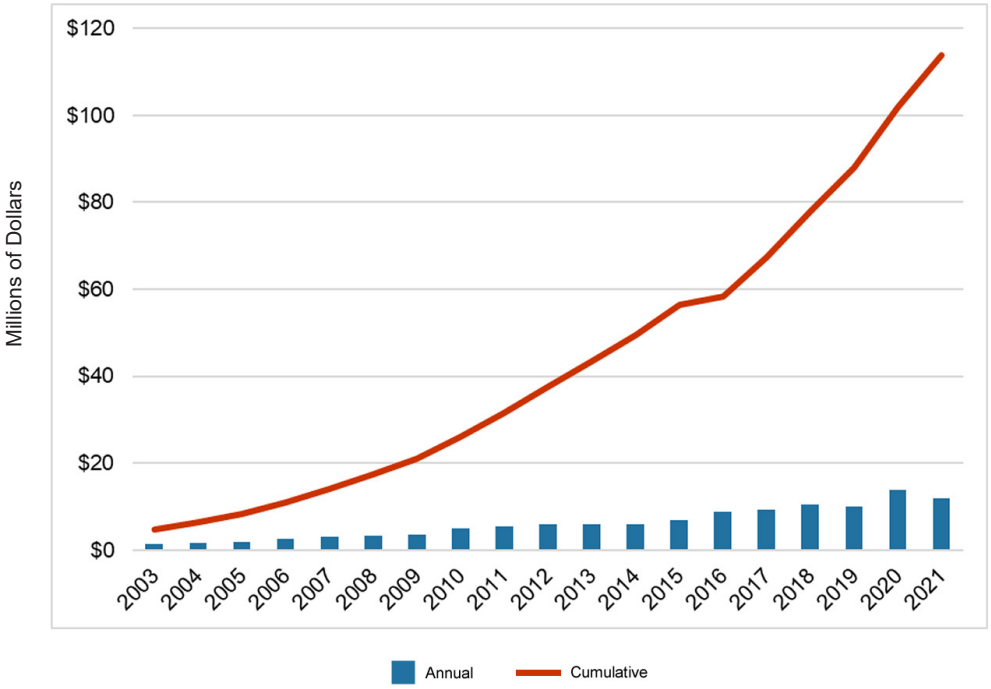


Figure 3. The DWSRF annual repayment stream is currently about $10.6 million per year and will continue to increase each year.

DWSRF Loan Forgiveness

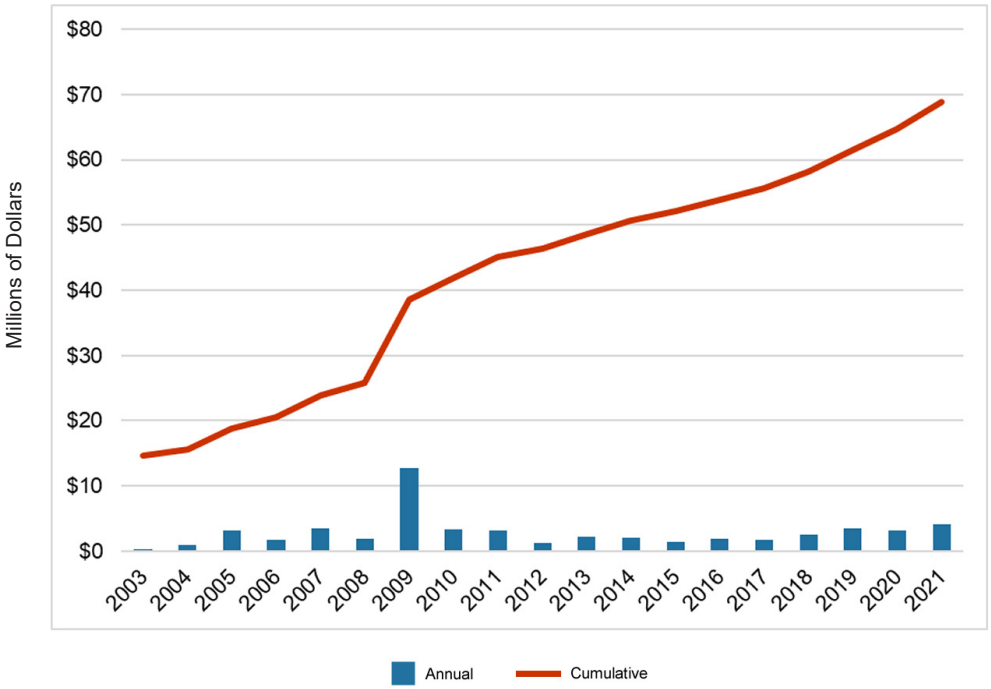


Figure 4. Economically disadvantaged water systems may have a portion of the loan principal forgiven if a water system's existing rates exceed a "water rate goal" based on the Median Household Income of the community. The year 2009 is an outlier because of the requirement of the *American Recovery and Reinvestment Act* that each protect receive at least 30% "principal forgiveness".

OZONE GENERATOR VENT
DESTRUCT UNIT
AE 209
AE/AIT-208 AMBIENT OZONE
1/4"-V-SS/2
30" DI PIPELINE REACTOR
NOTE 1
V24
1/4"-CA-CU/1
PIGTAIL AND TRACER
FASTENED TO HYDRA
BOLT
AIR PRESS.
ZSL
V25
3/4"-OZ-SS/2
VENTURI
TRACE WIRE
TO BPD
3/4"-OZ-SS/2
UNDERDRAIN
ZER DRAIN
1/2"-FW-CU/1
HEAT EXCHANGER CONDENSATE DRAIN
18" MIN.
24" MAX.
BACKFLOW PREVENTION DEVICE
HOR
HS
PROPOSED UV & OZONE BUILDING F.F. EL. 457.67
4" DRAIN
FINISH GRADE
PIT
M
6" MAX.
VENTURI
FLASH REACTOR
PROVIDE APPROX. 20 LF OF 1 1/4" PROPANE LINE
P-202
OZONE SIDESTREAM PUMP #
COMPRESSED AIR SIDESTREAM SKID
1-1/2" WATER SERVICE
VALVE BOX
MAIN
EXISTING PUMP STATION F.F. EL. 457.67
V37
BACKFLOW PREVENTION DEVICE
FINISHED WATER
4-6" MIN. COVER
4" PERF UNDERDRAIN (TYP)
6" GATE VALVE
TO DESTRUCT
PI
1-1/4" PROPANE VAPOR LINE
VENTURI
FLASH REACTOR
P-203
OZONE SIDESTREAM PUMP #1

Maine CDC Drinking Water Program

Protect Your Source • Take Your Samples •
Maintain Treatment • Inspect Pipes & Tanks

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State Revolving Loan Fund