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Much of the water infrastructure that serves municipalities is reaching the end of its useful life. In a 2020 report, Colorado Concern identified a \$17.6 billion inventory of water and wastewater projects in Colorado.

This document provides an overview of some of the major sources of funding available to municipalities for water and wastewater projects.

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Colorado water and wastewater funding sources



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Colorado Department of Public Health and Environment

Drinking Water State Revolving Fund Loan (DWSRF) Program

The DWSRF provides financial assistance to government agencies and private nonprofit public water systems for the construction of water projects intended to improve public and environmental health, aid compliance with the federal Safe Drinking Water Act and invest in Colorado's water infrastructure. **To apply:** An applicant must complete an eligibility survey and a pre-qualification form to begin. The SRF process generally takes 12-18 months from pre-qualification to construction to start. There are seven loan application deadlines annually. Planning and Design and Engineering grants are available for disadvantaged communities.

Website: bit.ly/34Btw7u

Water Pollution Control Revolving Fund (WPCRF)

The WPCRF provides financial assistance to governmental agencies for the construction of wastewater and storm water projects that improve public and environmental health. **To apply:** An applicant must complete an eligibility survey and a pre-qualification form to begin. The SRF process generally takes 12-18 months from pre-qualification to construction to start. There are seven loan application deadlines annually. Planning and Design and Engineering grants are available for disadvantaged communities.

Website: bit.ly/2WKqmK1

Water Quality Grants

Water quality grants, pending funding, are available through the following grant programs: Natural Disaster Grant; Small Communities Grant; Water Quality Improvement Fund Grant, and Lead Testing in Public Schools Grant. Technical assistance can be provided as well. **To Apply:** The different grants have various requests for application times, and funding is dependent on the fund balance availability. **Website:** bit.ly/2KsKdep

U.S. Environmental Protection Agency EPA

Water Infrastructure Finance and Innovation

The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established the WIFIA program, a federal credit program administered by EPA for eligible water and wastewater infrastructure projects. The WIFIA program offers loans with low, fixed interest rates and flexible financial terms. The minimum project size for small communities, population of 25,000 or less, is \$5 million. **To Apply:** The WIFIA application process is two phases. Prospective borrowers must submit a letter of interest for their project to the WIFIA program by the announced annual deadline. For each selected project, the prospective borrower may submit an application, negotiate loan terms, and close its loan. Please check the WIFIA website for more information about program deadlines.

Website: bit.ly/3axDYk8

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USDA Rural Development (RD)

Water and Waste Disposal Direct Loans and Grants

The purpose of this program is to develop water and waste disposal systems in rural areas with populations less than 10,000. Fixed, low interest rates. Repayment - up to 40 years. Grants may be available. **To Apply:** Applications are accepted on a rolling basis using the RD Apply electronic application system. **Website:** bit.ly/37EN2BV

Water and Waste Disposal Guaranteed Loan Program

The purpose of this program is to provide a loan guarantee for the construction or improvement of water and waste disposal projects serving the financially needed communities of rural areas. This is achieved through bolstering existing private credit structures through the guarantee of quality loans. Guarantees up to 90% available to eligible lenders. **To apply:** Applications are accepted on a rolling basis using the RD Apply electronic application system. **Website:** bit.ly/37EN2BV

Water and Waste Disposal Predevelopment Planning Grants

This program assists low-income communities with initial planning and development of an application for USDA Rural Development Water and Waste Disposal direct loan/grant and loan guarantee programs. The maximum is \$30,000 or 75% of the predevelopment planning costs.

To apply: Applications are accepted on a rolling basis using the RD Apply electronic application system. **Website:** bit.ly/2M1APik

Special Evaluation Assistance for Rural Communities and Households (SEARCH)

This program assists very small, financially distressed rural communities with predevelopment feasibility studies, design assistance, and technical assistance on proposed water and waste disposal projects. **To apply:** Applications are accepted on a rolling basis using the RD Apply electronic application system. **Website:** bit.ly/2MOQlpf

Emergency Community Water Assistance Grants

This grant program is designed to assist rural communities that have experienced a significant decline in quantity or quality of drinking water due to an emergency, or in which such a decline is considered imminent, to obtain or maintain adequate quantities of water that meets the standards set by the Safe Drinking Water Act. **To apply:** Applications are accepted on a rolling basis using the RD Apply electronic application system. **Website:** bit.ly/3rjv6EF

Colorado Department of Local Affairs (DOLA)

Community Development Block Grant (CDBG)

The primary objective of the CDBG Program is to develop viable communities by providing the following, principally to persons of low and

moderate income: decent housing, a suitable living environment, and expanded economic opportunities. Eligible uses of funds include acquisition, design/engineering, construction, reconstruction, rehabilitation or installation of public improvements or public facilities including water and sewer systems. **To apply:** Interested rural municipal governments should contact their DOLA regional manager prior to application. Applications are typically available in late November and due in mid-February.

Website: bit.ly/2LQehRp

Energy and Mineral Impact Assistance Fund Grant (EIAF) Program

The purpose of the EIAF Program is to assist political subdivisions that are socially and/or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels. This program provides grants for infrastructure and planning projects and loans for treated water systems and wastewater systems. **To apply:** Applications are submitted electronically through the portal on the website. Application deadlines are April 1, Aug. 1, and Dec. 1. Contact your regional manager with questions.

Website: bit.ly/38sjarJ

Colorado Water Conservation Board (CWCB)

Water Project Loan Program

Provides low-interest loans to agricultural, municipal and commercial borrowers for the design and construction of water supply projects in Colorado. Eligible projects include new construction or rehabilitation of existing water storage and delivery facilities, such as: reservoirs, ditches and canals, pipelines, river diversion structures, water rights purchases, and hydropower. **To apply:** Potential borrowers must submit a loan feasibility study and application to CWCB. Applications for loans under \$10 million are accepted year-round. Applications for loans \$10 million and over are due annually on Aug. 1.

Website: bit.ly/2M0oZFc

Economic Development Administration, Department of Commerce

Public Works Program

This program empowers distressed communities to revitalize, expand, and upgrade their physical infrastructure, and generate or retain long-term, private sector jobs and investment. **To apply:** Application packages are available at grants.gov. Applications will be accepted on an ongoing basis until the publication of a new EDA Federal Funding Opportunity. **Website:** bit.ly/3mlo1dk

Economic Adjustment Assistance Program

This program assists state and local interests in designing and implementing strategies to adjust or bring about change to an economy. The program focuses on areas that have experienced or are

under threat of serious structural damage to the underlying economic base. **To apply:** Application packages are available grants.gov. Applications will be accepted on an ongoing basis until the publication of a new EDA Federal Funding Opportunity. **Website:** bit.ly/38wToCm

National Rural Water Association (NRWA)

Rural Water Loan Fund

The Rural Water Loan Fund (RWLF) is a funding program specifically designed to meet the unique needs of small water and wastewater utilities. The RWLF provides low-cost loans for short-term repair costs, small capital projects, or predevelopment costs associated with larger projects. The RWLF was established through a grant from the USDA/Rural Utilities Service, and repaid funds used to replenish the fund and make new loans. **To apply:** Applications can be accessed on website and sent by mail or e-mail. **Website:** bit.ly/3axHwCY

CoBank

Rural Water and Wastewater Lending

CoBank works with rural water and wastewater not-for-profit systems, municipalities, and investor-owned utility companies to provide interim and bridge financing, refinance of existing debt, term financing for system upgrades, and lines of credit. **To apply:** Applications are accepted continuously. Send inquiries to water@cobank.com.

Website: bit.ly/3pfiVH9

Rural Community Assistance Corporation (RCAC)

RCAC Environmental Infrastructure Loans

RCAC provides loans to finance water and waste facility projects. RCAC's loan programs are unique—they provide the early funds that small rural communities need to determine feasibility and pay pre-development costs prior to receiving state and federal program funding. **To apply:** Applications can be accessed on the website and sent to the loan officer serving your state. Applications are accepted on a rolling basis.

Website: bit.ly/2K04Bq6

US Department of the Interior - Bureau of Reclamation

WaterSMART Grants: Water & Energy Efficiency Grants

Through Water and Energy Efficiency Grants, Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority. Projects should seek to conserve and use water more efficiently, increase the production of hydropower; mitigate conflict risk in areas at high risk of future water conflict; and accomplish other benefits that contribute to water supply

reliability in the western United States. **To apply:** Reclamation is currently developing a Funding Opportunity Announcement schedule for FY21. **Website:** on.doi.gov/34BKu5r

WaterSMART Grants: Small-Scale Efficiency Projects

Through Small-Scale Water Efficiency Projects, Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority. Projects support small-scale water management efforts (up to \$75,000 in federal funding for each project) that have been identified through previous planning efforts. Reclamation has developed a streamlined selection and review process to reflect the small-scale nature of these projects. **To apply:** Reclamation is currently developing a Funding Opportunity Announcement schedule for FY21. **Website:** on.doi.gov/2Jbsojg

WaterSMART Grants: Water Marketing

Through Water Marketing Strategy grants Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority. These grants provide meaningful support for entities exploring actions that can be taken to develop or facilitate water marketing. Under this funding opportunity applicants will be invited to conduct planning activities to develop a water marketing strategy to establish or expand water markets or water marketing transactions.

To apply: Reclamation is currently developing a Funding Opportunity Announcement schedule for FY21. **Website:** on.doi.gov/2Jbsojg

Title XVI Water Reclamation and Reuse Program

Title XVI is Reclamation's water recycling and reuse program. Reclamation works with non-federal partners to identify and investigate opportunities to reclaim and reuse wastewaters and impaired ground and surface water in the 17 Western states and Hawaii. **To apply:** In FY 2020, Reclamation may be offering funding under the Title XVI Program for research, planning, design, and construction of congressionally authorized or WIIN Title XVI Projects.

Website: on.doi.gov/2WDKqaf

US Department of the Interior - Bureau of Reclamation

Drought Response Program: Drought Resiliency Projects

Through the Drought Response Program, Reclamation provides 50/50 cost share funding to irrigation and water districts, tribes, states and other entities with water or power delivery authority. Projects should increase the reliability of water supplies; improve water management; and provide benefits for fish, wildlife, and the environment to mitigate impacts caused by drought. **To apply:** Reclamation is currently

developing a Funding Opportunity Announcement schedule for FY21. **Website:** on.doi.gov/3aCgXfJ

Army Corps of Engineers

Section 219: Environmental Infrastructure

The Section 219 program provides planning, design, and construction assistance for water and sewer-related environmental infrastructure and resource protection and development projects for local communities throughout the country. **To apply:** The Corps must have an authorization from Congress to begin a project or study. To get a project or study authorized, applicants must submit a request for assistance to the upcoming Water Resource Development Act. Contact the Corps for more information.

Website: bit.ly/3aCqFim

WaterNow Alliance

WaterNow Alliance Project Accelerator

WaterNow Alliance selects several projects per year to receive professional hands-on support, and technical and program assistance. The Accelerator provides up to 250 hours of pro bono technical support to cities and utilities in order to advance one of their sustainable water priorities. In Colorado, they're particularly interested in working with communities to integrate their water and land use planning priorities. **To Apply:** WaterNow Alliance Project Accelerator opens applications and selects projects twice per year. Applications can be found on their website.

Website: bit.ly/3axLL1m





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