



STATE OF DELAWARE  
DEPARTMENT OF NATURAL RESOURCES &  
ENVIRONMENTAL CONTROL  
OFFICE OF THE SECRETARY  
5 E. REED STREET, SUITE 200  
DOVER, DELAWARE 19901

FINANCIAL ASSISTANCE BRANCH

TELEPHONE: (302) 739-9941  
FAX: (302) 739-2137

July 13, 2012

Dear Clean Water State Revolving Fund Partner,

Under the Safe Drinking Water Act and in accordance with requirements from the U.S. Environmental Protection Agency, the Department of Natural Resources and Environmental Control's (DNREC) Clean Water State Revolving Fund (CWSRF) and the Department of Health and Social Services' (DHSS) Drinking Water State Revolving Fund (DWSRF) are leveraging resources to ensure that previously awarded federal funds continue to be available for Delaware's critical drinking water and wastewater infrastructure needs.

DNREC and DHSS have entered into an agreement that will provide optimum benefits to Delaware residents from water funds available to the state. This agreement, along with subsequent loan repayments, will allow both DNREC and DHSS to finance drinking water and wastewater projects more efficiently. To facilitate – and expedite – this process, previously awarded federal drinking water funds will be transferred to the CWSRF program.

The anticipated transfer amount is \$32,460,000. Drinking water services provided to Delaware residents will not be affected by this action, nor will there be any change in the availability of funds to meet existing and future drinking water infrastructure needs.

A Memorandum of Agreement (MOA) between DNREC and DHSS for operating the CWSRF and DWSRF programs will be completed in the near future. The MOA will address the State of Delaware's commitment to using federal capitalization grants for both programs in continuing to provide financial assistance and to further Delaware's water quality mission. Current and future project eligibility will not change.

Leveraging resources by DNREC and DHSS will streamline federal funding for both programs and facilitate program administration consistent with governing rules and regulations. The administrative changes will also help to ensure that a continuing source of financing is available for environmental infrastructure needs to improve water quality without any adverse effects on drinking water programs.

Your relationship and contacts with DNREC's Financial Assistance Branch, which operates the CWSRF program, will not change. The relationship and contacts that partners have with the Division of Public Health, which operates the DWSRF program, will not change either. Wastewater and drinking water services provided to Delaware residents will not be affected by this leveraging of resources, as the state prioritizes projects to meet areas of greatest need based on health, water quality, and long-term goals.

The Delaware Clean Water State Revolving Fund's Revised FY 2012 Intended Use Plan (IUP) – which describes how and why funds are being transferred, the transfer amount, the source and

*Delaware's Good Nature Depends on You!*

use of transferred funds, and the effects of the transfer on the CWSRF and DWSRF programs – is available for review on DNREC’s website at:

<http://www.dnrec.delaware.gov/fab/Documents/Revised-FY-2012-CWSRF-Intended-Use-Plan.pdf>

Please contact Terry Deputy, CWSRF Program Administrator, at (302) 739-9941 with any questions or concerns. DNREC values your continued service on behalf of the people of Delaware.

Sincerely,

A handwritten signature in black ink, appearing to read "Collin P. O'Mara". The signature is stylized and cursive, with a large loop at the beginning and end.

Collin P. O'Mara  
Secretary  
Department of Natural Resources and Environmental Control

cc: Rita M. Landgraf, Secretary, Department of Health and Social Services