



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 21, 2011

Re: Second Water Pollution Control Revolving Fund (WPCRF) - Notice-of-Intent (NOI)

This letter is to notify you of a second solicitation of NOIs for wastewater projects for the WPCRF. Municipalities, private wastewater utilities, industrial operations with wastewater treatment facilities, and interested organizations that may have missed the January 30, 2011 deadline are invited to submit project for funding consideration. The FY 2011 Project Priority List (PPL) and Intended Use Plan (IUP) will be revised to include wastewater, stormwater, and green infrastructure projects received from this solicitation. These documents serve as the statewide plan that describes how submitted water pollution control projects have been ranked relative to water quality improvement criteria; readiness to proceed; and how available WPCRLF funds will be utilized. To be considered for funding through the WPCRLF, projects must be listed on the PPL. Please do not re-submit the same NOIs for projects that were previously submitted in January 2011. This solicitation is only for NOIs that were not included in your January 2011 submittal.

The following are recent updates to the WPCRF program that will apply to projects submitted for funding consideration. Attached are three documents recently presented at program workshops held throughout the State. The materials provide a detailed overview of the loan program; project descriptions and examples of green projects; an overview of the source water protections loans; and the new Land Conservation Loan Program.

- Interim Interest Rate Policy Adjustment: 62.5% of Municipal Bond Yield, minimum interest rate 3%
- Interest Rate for Green Projects: 1.0% for ranked projects up to \$1.44 million, 2% over \$1.44 million
- Private Wastewater Utilities are Eligible for WPCRF Assistance
- Source Water Protection Loans are Available for Drinking Water Supplies
- New Land Conservation Loan Sponsorship Program

Delaware's FY 2011 Federal Capitalization Grant and required State Match is approximately \$8.7 million. On a cash flow basis the WPCRLF will have an estimated \$25 million to \$30 million for new loans. To help make loans affordable approximately \$700,000 is available for principal loan forgiveness, and at least \$1.44 million must be used for green infrastructure projects.

The included NOI spreadsheet will be used to rank submitted project requests for the revised FY 2011 PPL. It is important that you carefully review and answer the questions in the spreadsheet, noting that some questions have drop-downs for Yes or No answers. One spreadsheet must be used for each project; questions are designed to address traditional wastewater projects, stormwater projects, and green infrastructure projects. If you plan to participate in the new Land Conservation Loan Program,

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please indicate your interest on the NOI spreadsheet and provide a one page description of the land parcel(s). Please submit a project narrative, no more than two (2) or three (3) pages (project description, water pollution control needs / environmental benefits) for each project in a Microsoft Word document; you must provide justification to receive bonus points for each project.

Please e-mail all information to Jessica Velazquez (Jessica.Velazquez@State.DE.US); the size of each e-mail must be less than **10 megabits to be received**. To ensure that all information has been received, please mail a hard copy as well (CDs and Memory Sticks are acceptable). All information both electronic and mailed copies **must be received on or before Wednesday, August 31, 2011.**

Mail to:

Delaware Department of Natural Resources and
Environmental Control
Division of Water Resources
Financial Assistance Branch
5 East Reed Street, Suite 200
Dover, Delaware 19901-7334
Attn: Jessica Velazquez

Received water pollution control projects will be prioritized and ranked in September 2011; a Public Hearing on the Revised 2011 PPL and IUP will be held in October 2011; the documents will be submitted to U.S. EPA for approval; and loan applications will be solicited from potential borrowers that have projects which are ready to proceed. Please include all potential projects for which funding assistance may be needed over the next six years. **It is important for NOIs to be submitted for future projects.** This informs the Clean Water Advisory Council and the General Assembly of the future demand on the WPCRF.

If you or your staff have any questions, or need assistance in completing the requested information, please contact Greg Pope or myself at (302) 739-9941.

Sincerely,



Terry L. Deputy, CEcD
Administrator
Office of the Secretary
Financial Assistance Branch

cc: Robert Zimmerman, Chief Operating Officer
Clean Water Advisory Council Members