

State of Delaware

Clean Water Advisory Council



2007 Long-Term Wastewater
Facilities Funding Plan
FY 2008 – FY 2013

State of Delaware Clean Water Advisory Council

Membership

Roger P. Roy, Chair

Jeffrey M. Bross, PE, Vice Chair

Robert L. Stickels

Lee J. Beetschen, PE

Gary L Burcham, RLA

Josef A. Burger

Manubhai (Mike) Karia,

Andrew T. Manus

Brian M. McGlinchey

Christopher M. O'Keefe, PE

Michael R. Wyatt

Hans M. Medlarz, PE

Department of Natural Resources and Environmental Control (DNREC)

John A Hughes, Secretary

DIVISION OF WATER RESOURCES

Kevin Donnelly, Director

FINANCIAL ASSISTANCE BRANCH SUPPORT STAFF

Katherine Bunting-Howarth,
Principal Planner

Greg Pope, PE,
Engineer IV

Erika Benner,
Fiscal Management Analyst

Terry Martin, PE,
Engineer IV

Glenn Hastings,
Engineer III

Carla Waller,
Loan Officer

Daisy Lopez,
Administrative Specialist III

Melanie Hatter,
Accounting Specialist

Laura Rafferty,
Administrative Specialist I

Cover Photographs

Upper left – Finished headworks building at the Lewes Wastewater Treatment Facility in Lewes, Delaware (May 2007), financed with a WPCRF low interest loan.

Bottom right – Construction of Millsboro Wastewater Treatment Facility expansion Millsboro, Delaware (January 2007), financed with a WPCRF low interest loan and a Wastewater Management Account Grant.

2007 LONG-TERM WASTEWATER FACILITIES FUNDING PLAN

FY 2008 - FY 2013

INDEX

Executive Summary	1
Introduction.....	2
Funding Wastewater Facility Projects	2
Federal Funding Sources	2
State Funding Sources	4
Local Funding Sources	6
Project Priority List.....	7
Wastewater Facility Needs	7
Conclusions.....	10
Recommendations.....	10

APPENDIX

Water Pollution Control Revolving Fund Loans 1994-2007.....	I
Water Pollution Control Revolving Fund Non-point Source Activity Loans 1994-2007	II
21 st Century Fund Wastewater Management Account Grants 1994-2007	III
21 st Century Fund Wastewater Management Account Loans 2001-2007	IV

2007 - LONG-TERM WASTEWATER FACILITIES FUNDING PLAN FY 2008 - FY 2013

EXECUTIVE SUMMARY

Adequate, affordable and environmentally sensitive wastewater infrastructure is imperative to Delawareans. The Clean Water Advisory Council advises the Secretary of the Department of Natural Resources and Environmental Control as to how best utilize available funds to meet Delaware's wastewater demands in a way that meets regulatory requirements. Adequate funding, through both loans and grants, is needed to ensure that affordable wastewater treatment and disposal is provided, through our counties, cities and towns to protect human health and the environment. Highlights of the twelfth (12th) annual long-term funding plan include the following:

BACKGROUND

- \$154.1 million in federal capitalization grants and state match have been applied for and/or received by the Delaware Water Pollution Control Revolving Fund;
- \$76.2 million in 21st Century Funds have been appropriated for wastewater facility planning and low interest loans and grants;
- \$173.2 million in low-interest loans have been obligated for wastewater projects; and
- \$51.4 million in grants have been obligated to help make wastewater projects affordable.
- \$52.7 million is needed for additional loans and grants to make the projects affordable to low and moderate-income users over the next six years.

RECOMMENDATIONS

CONCLUSIONS

- It has been determined through the Project Priority List process that there are \$344.1 million in Statewide wastewater facility needs for future projects thru 2013;
- Available grant funds are insufficient to offset the high costs of new sewer projects or to enhance existing wastewater treatment facilities to meet new water quality standards; and
- That \$1 million be provided to match up to a \$5.0 million Federal capitalization grant in FY-09; and
- That \$7 million be provided in FY-09 for additional loans and grants to make projects affordable to low and moderate-income users; and \$3 million be provided for infrastructure planning.
- That the State apply for and make the best possible use of federal funds that may be available for wastewater infrastructure projects; and
- That legislation be enacted to provide a stable source of funding in order to provide low interest loans and grants to help make necessary future wastewater projects economically feasible as well as affordable to individual users.

2007 - LONG-TERM WASTEWATER FACILITIES FUNDING PLAN FY 2008 - FY 2013

INTRODUCTION

The Clean Water Advisory Council is established in Delaware Code, Title 29, Chapter 80, §8011(a). The 137th General Assembly approved the initial enabling legislation as House Bill No. 570 and Governor Carper signed the bill into law on July 7, 1994. The 143rd General Assembly approved legislation expanding the Council's roles to include surface water management as House Bill No. 239 and Governor Minner signed that bill into law on August 17, 2005.

A specific duty of the Council is to evaluate, establish, recommend, and adopt a long-term plan for funding wastewater facility capital projects that shall cover a period of not less than 6 years. The plan shall be updated and prioritized on an annual basis and be incorporated in the Department's (Department of Natural Resources and Environmental Control) annual capital budget request to the Governor. A copy of the adopted plan shall be submitted to the members of the General Assembly on or before November 15 of each year.

The long-term funding plan described herein (FY 2008 thru FY 2013) is the twelfth (12th) an-

nual plan to be adopted by the Council. The plan incorporates a process for prioritizing and ranking wastewater projects based on water quality and environmental criteria and allocates current and anticipated funding from the Water Pollution Control Revolving Fund and the 21st Century Fund Wastewater Management Account to specific projects.

State investment in wastewater projects and other water pollution control facilities will continue to be through loans, which must be repaid to provide a continuing (revolving) source of funds and grants. The determination of the use of loans and/or grants for wastewater projects will be contingent upon the affordability of the project (i.e., resultant annual user charges are targeted to not exceed 1½ % of median household income (MHI) when the wastewater facility begins operations). If the estimated project cost for a wastewater facility will increase the annual user charge above 1½ % of the MHI for a community, innovative loan terms (e.g., debt service deferral and/or lower interest rate and/or a longer repayment period) or grants may be used to assist in lowering annual user charges.

FUNDING WASTEWATER FACILITY PROJECTS

Funding the construction, upgrade, and repair of Delaware's wastewater facilities over the next six years will require the utilization of federal, state, local, and private funding sources. Coordinating available funding for wastewater projects has been successful in the past and is expected to continue in the future. The Council has authority to make project-funding recommendations only for the Water Pollution Control Revolving Fund and the Wastewater Management Account portion of the 21st Century Fund. Therefore, this funding plan will reflect only those wastewater projects that have indicated an interest in obtaining funding from the Water

Pollution Control Revolving Fund or the Wastewater Management Account or those projects that the Council anticipates may apply for funding from the Water Pollution Control Revolving Fund or the Wastewater Management Account. Note that all funding expenditures and commitments are as of July 1, 2007.

FEDERAL FUNDING SOURCES

Major sources of federal funding for wastewater infrastructure projects are the Clean Water State Revolving Fund, the Rural Utility Services Program, Matching Grants for Wet Weather Flows,

and Line Item Appropriations for special projects in the United States Environmental Protection Agency's budget. An explanation of the various programs follows.

Clean Water State Revolving Fund

Under Title VI of the Federal Clean Water Act, capitalization grants are awarded to states which, when combined with a required twenty percent state match, establish a state water pollution control revolving fund. From this fund, states can provide loans to eligible agencies, such as local governments, for the construction, upgrade, and repair of wastewater treatment facilities. Loan repayments then provide a continuing source of capital to finance future water pollution control projects.

The Delaware General Assembly created the Delaware Water Pollution Control Revolving Fund in 1990 in order to facilitate self-sufficiency for wastewater facility financing at the State and local levels. Since that time, the Fund has been awarded fourteen (14) federal capitalization grants, and the required twenty percent state match has been appropriated through the State Bond Bill and the 21st Century Fund. Federal and State funds received for the Fund total \$146.4 million. The Fund presently has capitalization grant applications pending from the US Environmental Protection Agency that, along with the State match, total \$7.6 million. It is anticipated that the Fund will receive five (5) additional federal capitalization grants (\$21.6 million net combined federal and state funds) through the year 2013, which will bring the Fund's total capitalization to \$168.0 million.

To date the Fund has closed or is in the process of closing 39 municipal loans totaling \$168.7 million as shown in Appendix I.

Additionally, the Fund makes loans for approved expanded use activities (septic system rehabilitation, poultry and dairy manure management, leaking underground storage tank groundwater remediation, and approved non-point source practices that protect waters). There have been 1089 loans to date

for these activities totaling \$12.7 million as shown in Appendix II.

A financial summary of the Fund shows that \$71.4 million is available for additional loans for the planning period of FY 2008 – FY 2013 as shown in Table 1.

Table 1	<u>Millions</u>
Federal capitalization grants plus state match (1989-2006)	\$ 146.4
Federal capitalization grant plus state match (2007)	\$ 7.7
Federal capitalization grants plus state match (2008-2013)	\$ 21.5
Loan repayments (1989-2007)	\$ 41.6
Loan repayments (2008-2013)	\$ 43.4
Investment interest earned (1989-2007)	\$ 6.6
Investment interest (2008-2013)	\$ 7.2
Total WPCRF Funds (1989-2013)	\$ 274.3
Loans made (1989-2007)	\$ 181.4
Loans pending (2008)	\$ 21.5
Total WPCRF Loans (1989-2008)	\$ 202.9
Total WPCRF Funds Available (2008-2013)	\$ 71.4

State and Tribal Assistance Grants (STAG)

STAGs are line item appropriations in the Environmental Protection Agency's budget that are designated for specific projects. In 2001, the Council called upon Delaware's Congressional delegation to request STAGs for Delaware wastewater projects. Since then, Congress has appropriated \$7.9 million for Delaware projects as follows:

City of Lewes - \$1 million for wastewater treatment improvements;

Sussex County - \$1.2 million for West Rehoboth expansion of the Dewey Beach Sanitary District;

Town of Millsboro - \$2 million to eliminate the Town's discharge into the Inland Bays by constructing needed wastewater infrastructure;

City of Harrington - \$0.9 million for wastewater treatment plant improvements for nutrient removal;

Town of Bridgeville - \$0.9 million wastewater treatment plant infrastructure that will eliminate its discharge wastewater during spring, summer, and fall;

City of Wilmington - \$1.1 million for wastewater infrastructure improvements related to CSO 27;

City of Wilmington - \$0.6 million for wastewater infrastructure improvements related to CSOs; and

Sussex County - \$0.2 for wastewater infrastructure improvements to the Ocean View SSD.

Wet Weather Water Quality Grants (WWWQG)

WWWQGs provide funds to municipalities for the planning, design, and construction of treatment works to intercept, transport, control, or treat municipal combined sewer overflows (CSO) and sanitary sewer overflows (SSO). Projects must be on the State's Project Priority List to qualify for a 55% matching grant. To date, Congress has not appropriated funds for this program.

Department of Agriculture - Rural Utility Services (USDA-RUS)

The USDA, through its Rural Utility Services program, makes loans and grants for wastewater facility construction in Dela-

ware. These loans and grants are usually targeted to economically distressed areas and have matched funds from the WPCRF and 21st Century Fund in prior years. This program provides approximately \$6 million per year of funding for wastewater projects in Delaware.

STATE FUNDING SOURCES

A total of \$76.0 million has been appropriated in Delaware's 21st Century Fund for wastewater planning and infrastructure. Three accounts have been established to manage these funds.

Infrastructure Planning Account

The Infrastructure Planning Account provides financial assistance for communities to develop needed wastewater plans.

\$1,124,812 was set-aside for wastewater planning grants for municipal wastewater utilities subject to a 50/50 match. Municipalities with wastewater utilities are eligible to receive up to 50 percent of planning project costs up to \$20,000 for long-range wastewater facility plans, up to \$12,000 for general wastewater plans, and up to \$100,000 for regional wastewater facility plans. Grants are awarded on a continuing basis based upon the evaluation of the planning grant application and supporting documentation.

To date, eight (8) long-range wastewater facility-planning grants have been awarded totaling \$114,899 and twenty (20) general and regional wastewater facility-planning grants have been awarded totaling \$1,009,913. The Infrastructure Planning Account has a balance of \$0 available for additional wastewater facility planning grants.

Wastewater Management Account

A total of \$56.6 million have been allocated to the Wastewater Management Account. This account was established to enhance current and anticipated Water Pollution Control Revolving Fund capabilities. The emphasis is to fund projects with loans, while supplementing projects with grants where needed to make projects affordable

according to established MHI affordability criteria. Assistance is also available to fund projects that are desirable and necessary, but that are otherwise limited or restricted for funding through existing or future federal programs. Sub-accounts established within the Wastewater Management Account are as follows:

Affordable Sewer Grants - In the FY-99 Bond Bill, the General Assembly provided that \$2.5 million be set-aside for Ellendale and West Rehoboth to provide for affordable sewers. Of the \$2.5 million, \$1.5 million were allocated to Ellendale and \$1 million to West Rehoboth. The \$1.0 million have been placed in an interest-bearing account the proceeds from which are being used to make grants to low income residents of West Rehoboth that need assistance in paying their sewer bills. In the FY-00 Bond Bill, an additional \$50,000 were set-aside to provide affordable sewers in West Rehoboth. To date, 3,756 grants have been awarded from the Assisted Sewer Allowance Program for a total of \$187,534.

Supplemental Grants - These funds are intended as gap funding for projects that would otherwise be unaffordable. The use of these funds is dedicated to the following:

- municipal systems for needed wastewater systems where the project would otherwise raise user rates above affordable levels;
- municipalities to institute preferred wastewater management technologies/actions which meet the State's environmental goals; and
- other needed wastewater projects that could not have otherwise been funded.

Supplemental Grants totaling \$51.2 million, that have been awarded or are in the process of being awarded, are shown in Appendix III.

Revolving Loan Fund - These funds provide a source for low interest loans to enhance and supplement public and private

wastewater financing. Monies repaid to the fund will be loaned out again to continue to enhance and supplement public and private wastewater financing. Projects that are on the current year Project Priority List but that cannot be funded from the Water Pollution Control Revolving Fund will be considered for funding from this Fund. To date, loans totaling \$4.5 million have been awarded as shown in Appendix IV.

Septic Rehabilitation Loan Extended Funding Options - These funds provide a source of low interest loan and/or grants as gap funding when monies are needed by low-income families to replace or rehabilitate septic systems and no other source of funding exists. This revolving account was established in FY-01 with a total of \$360,000 and due to its success, was supplemented with \$250,000 in FY-03. As of June 30, 2007, twenty-seven (27) loans totaling \$297,382 and twenty (20) grants totaling \$274,642 have been awarded. Loan funds repaid are available for additional loans and/or grants. Funds available in this account total \$245,503.

Special Fund Account

A total of \$17.4 million have been allocated to the Special Fund Account to be used to match federal assistance from the Clean Water Act for state revolving fund wastewater capitalization grants to secure \$87 million in federal funding.

A summary of the 21st Century Fund Wastewater Management Account is shown in Table 2.

Table 2	Allocation	Available
Infrastructure Planning Account	\$ 925,000	\$ 0
Wastewater Management Account	\$56,607,000	\$ 124,050
Special Fund Account	\$17,393,700	\$ 632,673
Total	\$74,925,700	\$756,723

Wastewater Supplemental Funding

In August 2006, the Council held a workshop to identify a stable source of funds for supplemental funding for future wastewater facility projects and to identify a strategy for promoting Council recommendations to the Governor and General Assembly. Sources of funding and other issues discussed are as follows:

1. Address criteria for economic development.
2. Study alternative methods of wastewater disposal.
3. Provide more funding for enhanced nutrient removal (ENR).
4. Facilitate a Western Sussex County regional wastewater solution.
5. Align wastewater elements of comprehensive plans of adjoining municipalities.
6. Seek new funding for wastewater infrastructure planning grants.
7. Address TMDL drivers and the NPDES permit renewal process.
8. Address issue of funding for nutrient trading.
9. Coordinate with DEDO on economic development funding.
10. Revisit 2% affordability threshold.
11. Maximize public/private partnerships.
12. Seek new funding for I&I studies.
13. Research impact fees charged by counties and municipalities.
14. Leveraging the SRF funds.

LOCAL FUNDING

Traditional local funding sources include user rates, connection fees, impact and tapping fees, bank loans, and municipal bonds.

User Rates and Connection Fees

User rates and connection fees should be sufficient to pay for the labor, materials, utilities, equipment accessories, and other items necessary to manage and maintain a wastewater system and to provide the service for which the system was designed. Additionally, they should include an amount to pay off capital debt and possibly set aside an amount for future capital projects. Most wastewater utilities in Delaware charge user rates that collect sufficient revenue to pay

operating and maintenance costs. However, few wastewater utilities charge user rates sufficient to allow the utility to set funds aside for future capital costs.

Impact and Tapping Fees

Impact and tapping fees should be sufficient to recover the incremental cost of capital improvements made and paid for prior to a new user connecting to the system. While most wastewater utilities impose an impact or tapping fee, few utilities fully collect the fair share of the cost of the prior capital improvements. This is an area where those wastewater utilities facing significant growth would look to enhance revenues.

Capital Funding

Typically, municipalities obtain financing for wastewater projects by borrowing from banks or issuing revenue bonds. Presently, only eleven (11) of twenty-two (22) municipal wastewater utilities have bond ratings that would allow them to issue revenue bonds. As of June 30, 2007, the market rate for an AA municipal bond was 4.67% while bank loan rates were in excess of 7%.

PROJECT PRIORITY LIST

Wastewater projects are considered for funding from an annual Project Priority List (PPL) that ranks projects according to water quality and state priorities criteria. The first step in the preparation of a PPL is the notification of all potential participants that they need to file a Notice-of-Intent (to apply for a loan from the revolving fund). This is done annually in January.

A multi-discipline team then evaluates the projects submitted using the following criteria.

“Water Quality Protection” is the category that evaluates a proposed project based on the total pounds of nitrogen and phosphorus that will be removed from discharges because of the project’s completion.

“Targeted Waterbodies” is the category that takes into account the impact a project will have on Total Maximum Daily Loads (TMDLs). TMDLs establish the maximum point and non-point source loadings of certain pollutants that must not be exceeded if surface water quality goals are to be met. A project that is in a watershed for which TMDLs have been established will receive a higher score.

“Wastewater Facility Priorities” is the category that establishes the priority of various types of wastewater facility projects. Septic system elimination projects are given the highest score.

“Strategies for State Policies and Spending” is the category that integrates wastewater projects with Shaping Delaware’s Future. Projects in communities, urban centers and employment centers receive the highest score while projects in rural areas receive the lowest score.

Project Evaluation Criteria:	
Water Quality Protection.....	45 pts
Targeted Waterbodies.....	15 pts
Wastewater Facility Priorities.....	30 pts
Strategies for State Policies and Spending.....	10 pts
Total Priority Score.....	100 pts

Wastewater projects are considered for funding in priority order based on a project's ranking on the Project Priority List. Projects on the PPL are by-passed only if the applicant is unwilling or unable to proceed with the project when funds become available. When a project is by-passed, the applicant must resubmit the project for consideration for the next annual PPL for the project to receive financing from the Water Pollution Control Revolving Fund or the 21st Century Fund.

WASTEWATER FACILITY NEEDS

Wastewater Facility Needs by Project

This Long-Term Plan is an evolving document based on actual proposed wastewater facility projects and is updated annually to reflect projects being considered for funding. A summary of proposed projects that may request financial assistance from the Water Pollution Control Revolving Fund or 21st Century Fund during the next six years is shown in Table 3. Two (2) projects totaling \$50.6 million contribute directly to achieving TMDLs. Twelve (12) projects totaling \$171.1 million are for septic system eliminations that would also contribute to achieving TMDLs, but to a lesser degree than a point discharge elimination project. Thirteen (13) projects totaling \$115.0 million are for collection system or treatment facility capacity upgrades. It should be noted that not all of these projects may result in loans from the Fund which would lessen the demand on the Fund.

Wastewater Facility Needs by Source of Funds

Notices-of-Intent to apply for project funding in 2008 totaled \$290.1 million for loans from the Water Pollution Control Revolving Fund and \$52.7 million for grants from the 21st Century Fund. Potential requests for funding, based on source of funding (i.e. WPCRF loan, 21st Century Fund grant, or federal matching grant) and for each of the six years in the planning period are shown in Table 4.

Table 3 - Wastewater Facility Needs by Project 2008 – 2013

Municipality	Project	Project Cost
Sussex County	Angola Neck Sanitary Sewer District	\$22,000,000
State-Wide	Non-Point Source Programs	\$1,500,000
New Castle County	Water Farm #1 Alternate and Land Based Disposal Systems	\$9,900,000
Sussex County	Johnson's Corner SSD	\$14,100,916
New Castle County	Delaware City Wastewater Treatment Plant Rehabilitation / Upgrade	\$7,900,000
Bridgeville, Town of	I & I Removal	\$748,600
Town of Laurel	Rossakatum Branch Sewer Crossings	\$188,300
Bridgeville, Town of	Hydrogeologic Study - Wheatly Property	\$823,320
Sussex County	Mallard Creek Expansion of Holts Landing Sanitary Sewer District	\$1,730,131
Sussex County	Dagsboro/Frankford Sanitary Sewer District – Prince Georges Acres	\$800,000
Sussex County	Wolfe Neck Regional Wastewater Facility expansion	\$18,060,000
Sussex County	Inland Bays Regional WWF treatment & disposal expansion	\$26,500,000
Smyrna, Town of	Expansion of Sewer Facilities from North Duck Creek to SR1	\$12,500,000
Smyrna, Town of	Gravity Line Upstream of Greens Branch Pump Station	\$115,000
Smyrna, Town of	Updates of Sewer Lines in Downtown Smyrna	\$2,600,000
Sussex County	Regional Pump Station Improvements (P.S. #30 and Force main)	\$13,600,000
Town of Laurel	Culver Drive PS Rehabilitation	\$98,700
Kent County	Pickering Beach Sewer System	\$1,362,000
Sussex County	Blades Sanitary Sewer Extension	\$16,302,125
Sussex County	Western Sussex Regional Wastewater Facility	\$20,000,000
State-Wide	Non-Point Source Programs	\$1,500,000
Sussex County	Dagsboro/Frankford Planning Area – Septic Elimination Project	\$69,902,300
Sussex County	Oak Orchard Sanitary Sewer District – Expansion #1	\$14,231,127
Sussex County	Piney Neck Regional Wastewater Facility Expansion	\$10,176,990
Newark, City of	Manhole and pipe rehab in stream beds	\$5,000,000
New Castle County	Belltown Sanitary Sewer Upgrade	\$700,000
New Castle County	Covered Bridge Farms Septic Elimination	\$9,000,000
New Castle County	North Star Septic Elimination	\$8,500,000
State-Wide	Non-Point Source Programs	\$1,500,000
Rehoboth, City of	Ocean Outfall/L-R Canal Point Discharge Elimination	\$49,800,000
State-Wide	Non-Point Source Programs	\$1,500,000
State-Wide	Non-Point Source Programs	\$1,500,000
Total		\$344,139,509

Table 4 - Wastewater Facility Needs by Source of Funds 2008 - 2013			
Fiscal Year	WPCRF	21st CF WMA	Federal
2008	\$122,472,587	\$10,734,460	\$0
2009	\$150,712,542	\$4,600,000	\$0
2010	\$1,500,000	\$0	\$0
2011	\$13,950,000	\$37,350,000	\$0
2012	\$1,500,000	\$0	\$0
2013	\$0	\$0	\$0
Total	\$290,135,049	\$52,684,460	\$0

2007 - LONG-TERM WASTEWATER FACILITIES FUNDING PLAN FY 2008 - FY 2013

CONCLUSIONS

- 1) Congress has extended federal funding for capitalizing the state revolving fund portion of the Clean Water Act. This means additional capitalization for the Water Pollution Control Revolving Fund totaling \$21.5 million. Each federal grant is required to be matched with 20% state funds. Over the next six (6) years, the State will need to provide \$4.3 million in matching funds in order to secure the additional \$17.2 million in Federal capitalization funds.
- 2) With the continued capitalization of the Water Pollution Control Revolving Fund, sufficient funds will exist to provide low interest loans for all wastewater projects for which loan funds have been requested over the six (6) year period included in this Long-Term Plan.
- 3) Existing sources of grant funds are insufficient to meet the need to provide affordable wastewater facilities. To be affordable, that is for users of wastewater facilities to pay wastewater user rates that are less than 1½% of their median household income, many of the projects presented in this Long-Term Plan are going to need, in addition to creative financing such as deferred payments, reduced interest rates, extended payment periods, etc., substantial grants. For projects that provide new sewer systems or enhance existing wastewater treatment facilities to meet new water quality standards, grant requests often exceed 50% of the total cost of a project. \$52.7 million is needed over the six (6) year period included in this Plan to make wastewater facilities affordable for everyone.

RECOMMENDATIONS

- 1) The Council recommends that the Governor and the General Assembly provide up to \$1 million per year to match future clean water state revolving fund capitalization grants from the federal government.
- 2) The Council recommends that the Governor and the General Assembly provide \$7 million per year to be used to provide low interest loans and grants to make future wastewater projects affordable to low and moderate income users; and \$3 million to be provided for infrastructure planning.
- 3) The Council also recommends that the Governor, the General Assembly, and the Secretary apply for and make the best possible use of federal funds that may be available for wastewater infrastructure projects.
- 4) Finally, the Council recommends that the General Assembly enact and that the Governor sign legislation that will provide a stable source of funding to provide low interest loans and grants to make future wastewater projects affordable.

Appendix I

Water Pollution Control Revolving Fund Loans 1994-2007

Municipality	Project	Revolving Fund Loan	Status
City of Wilmington	WWTP upgrade	\$ 20,000,000	Complete
Sussex County	West Rehoboth Phase I & II sanitary sewers	\$ 17,000,000	Complete
Kent County	Trunk main upgrade	\$ 3,914,918	Complete
Sussex County	West Rehoboth Phase III sanitary sewers	\$ 9,989,719	Complete
City of Seaford	WWTP upgrade	\$ 8,216,930	Complete
Town of Laurel	WWTP upgrade and sewer extension	\$ 2,000,000	Construction
City of Dover	Dover Downs Pump Station replacement	\$ 750,000	Complete
Camden-Wyoming SWA	Force main extension for Southern District	\$ 354,652	Complete
Sussex County	Holts Landing, Ocean View, & Cedar Neck sanitary sewers	\$ 13,752,100	Complete
Kent County	Kenton sanitary sewers	\$ 375,000	Complete
Kent County	Northeast (Leipsic) sanitary sewers	\$ 100,000	Complete
Sussex County	Ellendale sanitary sewers	\$ 1,726,000	Complete
Sussex County	Oak Orchard sanitary sewers	\$ 2,703,000	Complete
City of Milford	Sewer line extensions	\$ 1,700,000	Complete
Town of Milton	WWTP upgrade	\$ 461,433	Complete
Town of Delmar	WWTP headworks & phosphorus removal	\$ 1,293,250	Design
Kent County	Bowers Beach SSD force main	\$ 392,400	Complete
Sussex County	SCRWF upgrade from 6 to 9 mgd	\$ 13,000,000	Construction
Sussex County	Miller Creek sanitary sewers	\$ 3,300,000	Construction
Sussex County	Bay View and Sea Country sanitary sewers	\$ 2,636,000	Complete
Town of Selbyville	Upgrade to collection system and WWTP	\$ 3,100,000	Construction
Town of Bridgeville	Upgrade to WWTP and land application	\$ 2,700,000	Construction
City of Harrington	Upgrade to WWTP and land application	\$ 600,000	Design
Town of Millsboro	Upgrade to WWTP	\$ 4,200,000	Construction
Sussex County	Inland Bay WWTF – land acquisition	\$ 10,000,000	Complete
Town of Georgetown	Expand WWTP	\$ 2,600,000	Design
Town of Georgetown	Collection system upgrades & expansion	\$ 4,600,000	Construction

**Water Pollution Control Revolving Fund Loans
1994-2007 (continued)**

Municipality	Project	Revolving Fund Loan	Status
Town of Laurel	Upgrade to WWTP	\$ 2,841,680	Construction
City of Lewes	WWTP and system upgrades	\$ 12,600,000	Construction
City of Milford	Downtown sewer system upgrades	\$ 4,400,000	Pending
Sussex County	S. Ocean View sanitary sewers	\$ 4,800,000	Construction
City of Seaford	City-wide sewer system upgrades	\$ 1,620,000	Loan Closing
Sussex County	Millville Sanitary sewer expansion phase III	\$ 8,000,000	Construction
City of Lewes	City-wide sewer system improvements	\$ 2,250,000	Design/Bid
Town of Bridgeville	RBC Improvements	\$ 750,000	Construction
Total		\$ 168,701,302	

Appendix II

**Water Pollution Control Revolving Fund
Non-point Source Activity Loans
1994-2007**

Expanded Use Non-Point Source Activity	Number of Loans	Loan Amounts
Septic System Rehabilitation	345	\$ 5,741,088
Poultry Manure Management	696	\$ 5,705,406
Dairy Manure Management	43	\$ 842,486
Leaking Underground Storage Tanks	4	\$ 378,118
Expanded Agriculture	1	\$ 7,155
Total	1089	\$ 12,674,252

Appendix III

21st Century Fund Wastewater Management Account Grants 1994-2007

Municipality	Project	21 st Fund Grant Amount	Status
City of Seaford	Interest rate subsidy to assist in making a loan affordable.	\$ 500,000	Approved
City of Harrington	Provide affordable wastewater service to the Town of Farmington	\$ 295,000	Complete
Sussex County	Provide affordable wastewater service to the proposed Ellendale sanitary sewer district.	\$ 1,963,213	Complete
Sussex County	Provide user rate subsidies for West Rehoboth.	\$ 1,050,000	Ongoing
Kent County	Provide affordable wastewater service to the Northeast Sanitary Sewer District (Leipsic)	\$ 1,885,952	Complete
Kent County	Provide affordable wastewater service to the Town of Kenton	\$ 2,226,350	Complete
Town of Georgetown	Upgrade wastewater treatment plant to meet new water quality standards for the Inland Bays	\$ 3,252,000	Complete
Sussex County	Provide affordable wastewater service to Ocean View and Cedar Neck	\$ 5,450,000	Complete
Town of Delmar	Provide affordable wastewater service to the Holly Oak mobile home park	\$ 186,771	Complete
City of Seaford	Elimination of combined sewers	\$ 600,000	Complete
Sussex County	Provide affordable wastewater service to the Oak Orchard SSD	\$ 4,470,000	Complete
Sussex County	Provide affordable wastewater service to the Pinetown community	\$ 218,379	Design
Kent County	Upgrade the Bowers Beach SSD force main	\$ 208,200	Complete
Sussex County	Provide affordable wastewater service to the Miller Creek SSD	\$ 2,450,000	Design/Bid
Sussex County	Provide affordable wastewater service to the Bay View/Sea Country SSD	\$ 1,500,000	Complete
Town of Bridgeville	Upgrade WWTP and land application of effluent	\$ 710,000	Design/Bid
City of Harrington	Upgrade WWTP and land application of effluent	\$ 710,000	Pending
Sussex County	Inland Bay WWTF – land acquisition	\$ 3,000,000	Complete
Town of Georgetown	Collection system upgrades & expansion	\$ 2,500,000	Construction

**21st Century Fund Wastewater Management Account Grants
1994-2007 (continued)**

Town of Laurel	Upgrade WWTP for BNR	\$ 1,550,000	Design/Bid
Town of Laurel	Broad Creek crossing replacement - emergency	\$ 1,035,000	Construction
Sussex County	S Ocean View – sanitary sewers	\$ 2,850,000	Design
Kent County	Provide affordable wastewater service to the Town of Hartly, Forrest Grove, and surrounding area.	\$ 3,500,000	Design
Town of Laurel	WWTP Upgrade – Supplemental Grant	\$ 4,975,000	Construction
Sussex County	Millville Sanitary sewer expansion phase III	\$ 2,500,000	Construction
Town of Millsboro	WWTP Upgrade (STAG Match)	\$ 1,587,273	Pending
Total		\$ 51,173,138	

Appendix IV

**21st Century Fund Wastewater Management Account Loans
2001-2007**

Municipality	Project	21st Fund Loan Amount	Status
Sussex County	Provide affordable wastewater service to the Ellendale Sanitary Sewer District	\$ 1,000,000	Complete
Kent County	Provide affordable wastewater service to the Northeast Sanitary Sewer District (Leipsic)		Cancelled
Kent County	Provide affordable wastewater service to the Town of Hartly, Forrest Grove, and surrounding area.	\$ 3,500,000	Design
Total		\$ 4,500,000	