



State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

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WATER RESOURCES MANAGEMENT

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November 1, 2019

NOTICE OF FINAL AMENDMENTS TO THE DRINKING WATER STATE REVOLVING FUND INTENDED USE PLAN FOR FFY2019

Dear Interested Party:

The Department of Environmental Protection (Department) has prepared the following document for the administration of the Federal Fiscal Year (FFY) 2019/State Fiscal Year (SFY) 2020 Drinking Water State Revolving Fund:

Final Amendments to the Federal Fiscal Year 2019/ State Fiscal Year 2020 Intended Use Plan

The Intended Use Plan (IUP) must be developed by the Department, undergo a public participation process and be approved by the US Environmental Protection Agency (USEPA) for the Department to be awarded its capitalization grants used to finance water infrastructure projects.

In March 2019, the Department finalized the Drinking Water (DW) IUP for FFY2018 and FFY2019 and the Clean Water (CW) IUP for FFY2018 after a public comment period. The FFY2019 CWSRF IUP was proposed and finalized in a separate document. The Final documents are posted on the Department's web site at <http://www.nj.gov/dep/dwq/cwpl.htm>.

The March 2019 DW IUP included changes to fund projects based on project rank (vs. readiness-to-proceed), to ensure the highest priority (those impacting public health) projects would be funded with the available funds. The Department stated in the March 2019 DW IUP that for those projects that received an Authorization to Advertise after July 31, 2018, the Department will be determining financing availability and loan terms in priority ranked order in the Spring 2020 based on available funds.

However, uncertainty regarding funding and delays until Spring 2020 have posed challenges to drinking water systems that need these funds to move forward to address priority public health projects including MCL violations and Lead Action Level Exceedances (ALEs). Therefore, the

Department amended the FFY2019 DW IUP to establish timelines that will allow projects in the fundable range to move forward prior to Spring 2020. In addition, since the demand for drinking water funds for FFY2019 has been much higher than anticipated and exceeds the current amount of available funds, the Department has added a funding cap of \$25 million per applicant per year for publicly-owned water systems to ensure that the limited funds are distributed among multiple high priority projects. The project cap will not apply to projects over \$25 million that received an Authorization to Advertise for any portion of their project by September 1, 2019.

The Final documents are posted on the Department's web site at <http://www.nj.gov/dep/dwq/cwpl.htm>.

If you have any questions regarding the DWSRF IUP, please contact the following Department staff below:

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Kristin Tedesco	Drinking Water SRF Project List and Policies	609-292-5550

Sincerely,



Patricia Gardner, Director
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