STATE OF RHODE ISLAND

STATE FISCAL YEAR (SFY) 2026 INTENDED USE PLAN

in support of the

FEDERAL FISCAL YEAR (FFY) 2025 BASE, IIJA GENERAL SUPPLEMENTAL and IIJA Emerging Contaminants CAPITALIZATION GRANTS

To be made available by the Federal Clean Water Act
for the Clean Water State Revolving Fund

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I. INTRODUCTION

Title VI of the federal Clean Water Act (CWA) established the Clean Water State Revolving Fund (CWSRF) in 1987, as an innovative replacement for the Federal Construction Grants Program. On the federal level, it is managed by the US Environmental Protection Agency (EPA). The Rhode Island CWSRF provides below market financial assistance to traditional municipal and other public wastewater treatment and collection system infrastructure projects. There are 19 major wastewater collection and treatment facilities and another 16 satellite collection systems that provide sewer service to about two-thirds of RI's population. It also may fund a wide variety of other eligible capital water quality and aquatic habitat improvement projects, including, but not limited to, those that address stormwater runoff and nonpoint sources of pollution, watershed protection and restoration of riparian buffers.

On June 10, 2014, the Water Resources Reform and Development Act of 2014 (WRRDA) was signed into law. Among its provisions are amendments to Title I, II, V, and VI of the Federal Water Pollution Act of 1948. The WRRDA provisions created new requirements and eligibilities for the CWSRF.

The Federal Infrastructure Investment and Jobs Act (IIJA) was signed on November 15, 2021, which provides significant investment for water and wastewater infrastructure improvements. The IIJA is expected to provide additional IIJA General Supplemental and Emerging Contaminants funding to the Base CWSRF program allocations for a five (5) year period, ending in FY2026. This Intended Use Plan (IUP) reflects the fourth year of IIJA funding.

The RI CWSRF is jointly administered by Rhode Island Infrastructure Bank (the Bank) and Rhode Island Department of Environmental Management (RIDEM). The Bank manages the financial aspect of the program while the RIDEM prioritizes eligible projects and manages the technical and certain programmatic aspects of the program.

Consistent with EPA requirements, Rhode Island develops an annual Intended Use Plan (IUP) identifying the intended uses of the funds to support the goals of the program. The IUP also details how the programmatic requirements will be met by the state. Prior to development of the IUP, RIDEM solicits projects for inclusion on the Project Priority List (PPL). The annual PPL and IUP are developed collaboratively by the Bank and RIDEM and both documents are subject to public comment and review before being submitted to the EPA.

The Bank and RIDEM have developed this Intended Use Plan to describe how the state is intending to use available CWSRF funds during State Fiscal Year (SFY) 2026 (July 1, 2025 through June 30, 2026). These include existing RI CWSRF Program funds and those provided by federal funds allocated to Rhode Island through the Base and IIJA

appropriations for Federal Fiscal Year (FFY) 2025. The RI CWSRF Program must apply for federal funds. In addition to the FFY2025 Base Capitalization Grant allotment of $10,653,000, the Bank is applying for $16,541,000 for the FFY 2025 CWSRF IIJA General Supplemental Grant and $1,428,000 for the FFY 2024 CWSRF IIJA Emerging Contaminants Grant. RIDEM and RIIB are deferring application for the FFY25 Emerging Contaminants Supplemental Grant ($1,428,000) until a later date. As required by the CWA, the Bank agrees to provide, through available resources, the required 20% State Matching Funds in the amount of $2,130,600 for the Base Capitalization Grant and the required 20% State Matching Funds for the IIJA General Supplemental Grant in the amount of $3,308,200. The required FFY2025 state match for both the Base and IIJA capitalization grants was provided through the 2023 State Supplemental Budget, and the funds were deposited into the CWSRF program on May 8, 2023.

THE RHODE ISLAND CWSRF PROGRAM

A. Administration

The entities involved in the application for these Federal Capitalization Grants are the Rhode Island Infrastructure Bank (the Bank) and the Rhode Island Department of Environmental Management (RIDEM).

The Bank is the designated lead entity of the CWSRF Program (the CWSRF Program) and, among other things, is empowered to enter into capitalization grant agreements with the EPA, to accept capitalization grant awards, and to otherwise manage the CWSRF in accordance with the requirements and objectives of the CWA.

RIDEM is responsible for establishing assistance priorities and developing the PPL; assisting in the development of the IUP; determining project eligibilities; and performing project technical reviews, NEPA-like State Environmental Reviews, construction inspections, review of project disbursements, federal reporting, and project closeouts.

Consistent with the provisions of the CWA and subsequent amendments to it, the Bank reserves the right to cross-collateralize between the CWSRF and Drinking Water SRF (DWSRF). Similarly, the Bank reserves the right to transfer CWSRF funds to the DWSRF as permitted by CWA. While no transfer is anticipated at this time, the Bank may propose making such a transfer in the near term if the need arises.

With the award of the FFY2025 Federal Capitalization Grants, including the IIJA grant(s), it is the State's intention to continue a subsidized loan program for assisting water pollution abatement projects and to continue the proper administration of the CWSRF.

B. Planned Program Activities

RIIB and RIDEM will aim to provide financial assistance to eligible local governmental units,

wastewater utilities, corporations, and persons for a variety of clean water infrastructure projects.

This IUP outlines the anticipated use of all the funding available in the Program and the various financing methods for making loans.

The strong financial standing of the CWSRF Program is the result of extensive modeling and analyses that provides the Program with the flexibility to achieve short- and long-term goals within the changing financial, legal, and/or economic environment.

II. SHORT-TERM AND LONG-TERM GOALS

As required by the CWA, the Bank and RIDEM have identified the following goals for the CWSRF. The goals described below are grouped according to short-term and long-term objectives and are not listed in any order:

A. Short-term Goals

Goal #1: Effectively manage the Program and maintain timely distribution of Program funds.

Goal #2: Continue to encourage utilization of the RI CWSRF for a wider range of project eligibilities and for traditional wastewater projects to include green, clean energy and resilient components.

Goal #3: Administer rules, regulations, loan policies and procedures, and continue to manage guidelines that are conducive to the proper functioning of the Program while ensuring compliance with the CWA.

Goal #4: Develop a comprehensive need based IUP, to be submitted along with the annual capitalization grant application and prepare an annual report which lists the State's accomplishments for the fiscal year and submit to the EPA in a timely manner.

Goal #5: Oversee Build America, Buy America (BABA) and IIJA implementation requirements across SRF projects, as applicable, and provide detailed info on BABA and IIJA compliance requirements, flexibilities and processes to borrowers.

Goal #6: Streamline the Project Priority List development process by considering a rule amendment to allow projects to remain on the list for two years, and by incorporating criteria to bolster projects that address state priorities.

B. Long-term Goals

Goal #1: Protect the public health and the environment and promote completion of cost-effective clean water projects.

Goal #2: Assure full compliance with Title VI of the Clean Water Act and all federal crosscutting requirements as per the 1987 CWA amendments.

Goal #3: Continue to manage the Program such that it will operate in perpetuity.

Goal #4: Place emphasis on projects focused on attaining compliance with Rhode Island Pollutant Discharge Elimination System (RIPDES) permit limitations and reinforce the importance of attaining water quality standards in waters negatively impacted by point-source discharges and/or sources of nonpoint source pollution.

Goal #5: Continue to evaluate environmental needs throughout the State, by rating specific projects for water quality improvement and/or protection and strive to distribute Program funds in a priority manner.

Goal #6: Continue to assist prospective borrowers during all phases of project development, including the financing process.

Goal #7: Continue efforts to improve the water quality of the Narragansett Bay and its tributaries, which is designated as an Estuary of National Significance, and in the Wood-Pawcatuck Watershed portions of which are nationally designated as Wild and Scenic Rivers.

Goal #8: Coordinate with related partners on the support of borrowers for stormwater, wastewater, and other eligible projects.

Goal #9: Provide financial assistance in the form of loans or other acceptable arrangements with principal forgiveness to mitigate contamination due to emerging contaminants.

Goal #10: Support BABA by ensuring that as applicable all products used in infrastructure projects as identified in the Act be produced in the US and assurance that required procurement language is used in contracts.

Goal #11: Fully enforce Civil Rights by promoting public engagement and program transparency.

Goal #12: Identify and prioritize additional subsidy for projects in the IUP that serve low-income disadvantaged communities.

III. INFORMATION ON THE CWSRF ACTIVITIES TO BE SUPPORTED

CWSRF Program: The FFY2025 Base Capitalization, IIJA General Supplemental Grant and IIJA Emerging Contaminants funds will provide financial assistance to municipalities, wastewater authorities, and other eligible entities using direct loans, Bank Loans, or Federal Direct Loans for eligible CWSRF projects. The maximum permissible principal repayment period shall be up to 30 years following project completion and may begin up to 12 months after construction is completed but no later than 5 years from the beginning of construction.

The CWSRF Program has Federal Direct Loan re-payments, and State Match direct loan repayments available to lend. These amounts will be used to fund "direct loans" (i.e., not leveraged) or for revenue bond pool issues during this IUP period as loan demand and timing dictates.

RI Wastewater Treatment Facility Resiliency Grant Program: RIDEM and the Bank have a funding mechanism that provides grants/loans to municipal and quasi-state entities for the protection of wastewater collection and treatment infrastructure from natural hazards (inundation, etc.). The RI Wastewater Treatment Facility Resilience Fund (WWTFRF) has been funded with approximately $5 million in grant funds from a state bond referendum. Projects costing less than $500,000 would receive a 50% matching grant up to $250,000. The grantee is free to use any source, including a loan from the Bank, to finance its match. For projects estimated to cost over $500,000, a 50% matching grant is made up to $1.25 million and the grantee must finance its match through the CWSRF program.

Within this program, RIDEM is administering 13 existing WWTFRF grants – 5 of which involve CWSRF loans as a source of match. In addition, two grants are in development (Bristol and Westerly) and these will also involve CWSRF loans as a match to the grant.

Community Septic System Loan Program: The Bank, in cooperation with RIDEM and Rhode Island Housing (RI Housing), continues to manage its Community Septic System Loan Program (CSSLP) utilizing recycled funds. Rhode Island Housing is the homeowner loan administrator on behalf of the community. The CSSLP allows communities without wastewater treatment facilities to access CWSRF funds. Communities can access the CSSLP after completing an On-Site Wastewater Management Plan (OWMP) approved by RIDEM. RIDEM has identified 29 communities that rely in whole or part on-site wastewater systems (OWTS). With the Town of Little Compton completing a plan in 2024, the number of approved OWMPs is now 22.

Once the plan appears on RIDEM's PPL and the Certificate of Approval (CA) is obtained, the community will apply for a loan from the Bank to support the repair or replacement of failing sub-standard septic systems. Once the loan is negotiated, the community may then

allow its residents to access the funds. The borrowing cost for the homeowner is 1% per annum of the outstanding loan balance and a $300 loan origination fee for a term up to ten years. The Bank uses revolved funds to capitalize the CSSLP. Both RIDEM and the Bank view the CSSLP as a means of achieving the goals and objectives of the approved Section 319 Non-Point Source Management Plan.

During SFY2025, the Bank closed six CSSLP loans totaling $2,400,000. As of April 30, 2025, the Bank closed 76 loans to various communities, totaling $27,800,000, and has originated 1,237 loans to property owners.

IV. RIDEM ADMINISTRATIVE COSTS

Based upon the FFY2025 allotments of funds, RIDEM plans to use $391,837 (3.68%) of the Base Capitalization Grant for administrative support of the base program, as provided by the CWA Title VI. The remaining funds ($34,283) will be reserved from a future capitalization grant. RIDEM also plans to use $403,901 (2.44%) of the IIJA General Supplemental Grant. The remaining funds ($257,739) will be reserved from a future capitalization grant. RIDEM plans to reserve the 4% administrative funds under the FFY24 IIJA Emerging Contaminants Grant ($57,120). The amounts are shown in Table 1, Attachment B. The funds will sustain staff capacity and may be used to hire a contractor for added support. Additional staff was recently hired over the past two years, given the expanded level of program activity and the new requirements associated with IIJA funding. New cost codes have been assigned to keep track of administrative expenses associated with IIJA funding.

The Bank, from FFY1998 through FFY2005, had "banked" the authority to use the 4% of the Base federal capitalization funds for RIDEM administrative costs to support the Program. The Bank also banked the FFY2009 American Recovery and Reinvestment Act Capitalization Grant's 4% administrative monies. To date, $3,849,156 in Capitalization Funds for RIDEM's administrative costs have been banked. These funds have been loaned to various communities over time. As of April 30, 2023, the Bank has "unbanked" $2,391,856, utilizing its deallocated funds to pay for RIDEM administrative costs, leaving a balance of $1,749,322 of banked Base RIDEM administrative funds (see Table 1 in Attachment B).

A. Technical Assistance

Through IIJA, the State is allowed to use up to an amount equal to 2% of each of the annual CWSRF Base program allotment and CWSRF IIJA General Supplemental fund for the purpose of hiring staff, nonprofit organizations, or regional, interstate, or municipal entities to provide Technical Assistance (TA) to rural, small, and tribal publicly owned treatment works. However, a majority of the state is serviced by wastewater systems that do not qualify for technical assistance under the IIJA provision. As provided for in the IIJA, if the State does not utilize the full amount of the technical assistance funds allowed, it may reserve the right to utilize the unused portion(s) at a later date. RIDEM is electing to reserve

the right to use funds for technical assistance to a later date. In the interim, RIDEM will be further assessing the technical assistance needs of those systems that are likely to be eligible, including certain satellite wastewater systems, and use the resulting information to design an approach to technical assistance that is tailored to priority needs. The delivery of technical assistance would occur at a later date.

For FFY2025 Base and Supplemental grants, RI hereby exercises this right to reserve all TA funds. During the remainder of SFY 2026, RIDEM will be conferring with the limited number of eligible wastewater systems on how to best meet their technical assistance needs.

B. Emerging Contaminants

For SFY2026, consistent with this IUP, Rhode Island intends to provide FFY2022, FFY2023, and a portion of FFY2024 funding to the emerging contaminant (EC) project summarized below. RIDEM is in discussions with entities that have interest in potential EC projects that are expected to lead to project proposals that will be forthcoming and submitted to EPA Region 1 for review and approval of eligibility*. RIDEM anticipates additional interest in EC projects given the additional flexibilities articulated in recent EPA CWSRF communications. RIDEM anticipates other eligible projects will be developed and lead to the expeditious allocation and drawdown of the funding awarded to date and support timely obligation of FFY24 funding. At this time, we will be deferring on applying for the FFY2025 Emerging Contaminants funding.

Narragansett Bay Commission: The Narragansett Bay Commission (NBC), which operates RI's two largest wastewater treatment facilities, is interested in a project focused on PFAS compounds as a priority emerging contaminant issue in Rhode Island. While science and technologies are continuing to evolve, wastewater facilities are known to be impacted by PFAS contamination from residential, industrial, and commercial sources. PFAS can be found in every step of the wastewater treatment process including the generation of biosolids. RIDEM has begun implementing PFAS monitoring requirements through the RIDPES wastewater discharge permitting program.

NBC has previously investigated PFAS in its operations by sampling the influent, effluent, and biosolids of both of its wastewater treatment facilities as well as many of the large industries that discharge wastewater into the NBC's collection system. It has documented PFAS in its influent, effluent, and biosolids. NBC has begun to build its laboratory capacity to be able to handle the additional anticipated monitoring needs related to PFAS. Through its proposed project, still being refined, NBC would purchase additional equipment and associated supplies to enhance its laboratory capacity to test wastewater and biosolids as well as its receiving waters for PFAS compounds. Specific equipment needs include a Combustion Ion Chromatograph (IC) system for Total Organic Fluorine analysis, a Liquid Chromatograph/MS/MS system for PFAS testing, as well as preparatory equipment including a sample extractor, work bench, specialized fume hood, and the purchase and installation of an oxygen gas line. NBC will procure the equipment and establish the

necessary laboratory protocols for PFAS sample handling and analysis. Associated with the enhanced laboratory capacity, NBC would through consulting services or staff resources, undertake a planning project related to potential future capital projects that may be needed to address the issues associated with PFAS in its system. The improved understanding on the sources and fate of PFAS in its system will be helpful to planning future projects to reduce inputs to or remove PFAS from their system. Additionally, the project results will yield information of interest to on-going regional discussions about potential solutions to PFAS management concerns, including biosolids.

*Rhode Island may also elect to contribute a portion of Emerging Contaminant funding to other eligible projects on the FY26 PPL. The Town of Bristol submitted a project to purchase and install a trash skimmer that intends to target microplastics removal from the marine water column

V. PROJECTS TO BE FUNDED WITH FFY 2025 CWSRF FUNDS

With the total FFY2025 Federal and State allotment, it is the State's plan to continue a subsidized CWSRF loan program. To determine which projects are to be funded by the Program, RIDEM prepared the SFY2026 PPL, which was then reviewed in relation to requests received by the Bank. The following potential borrowers have submitted, or are expected to submit, applications that will utilize Base and Supplemental funding in SFY2026:

Borrower	Amount
Narragansett Bay Commission	$50,000,000
Narragansett Bay Commission	$400,000 (FFY24 EC Funds)
Warwick Sewer Authority	$9,660,000
Town of West Warwick	$3,163,950
Total	**$63,223,950**

Note: All borrowers are subject to change

VI. FINANCIAL PLAN AND STRUCTURE FOR THE CWSRF

A. Source of State Match

The required 20% state match for the Base Capitalization Grant totals $2,130,600. In addition, the Bank anticipates receiving a CWSRF IIJA Supplemental Grant, which also requires a 20% state match, totaling $3,308,200. The required FFY2025 state match for both the Base and IIJA Capitalization Grants was provided through the 2024 State Supplemental Budget and deposited into the CWSRF program on May 8, 2023 and December 22, 2023.

B. Sources and Uses of Funds Potential

The estimated funds available for projects in this IUP are summarized in Attachment C. The

estimate includes awarded, but unused (undedicated) EPA and State Capitalization Grants still available; available state match; direct loan repayments; deallocated reserve funds; estimated debt proceeds; and interest earnings on investments of Program resources. The projected total amount of loans expected to be issued from the CWSRF in SFY2026 is approximately $63 million which includes the obligated loans. These represent funds allocated for specific projects but not yet fully disbursed. The sources, as listed in Attachment D, include the following: FFY25 Base Capitalization Grant and General Supplemental Grant, along with the associated State Match funds; FFY24 Base Grant and General Supplemental Grant; FFY22 and FFY23 IIJA Supplemental Grants; FFY22 and FFY23 Emerging Contaminants Grants, including re-allocated FFY22 Emerging Contaminant funds; principal and interest repayments from federal and state revolved funds; and bond proceeds. The total sources equal $158,927,070.

The resources available in the CWSRF are anticipated to be enough to finance all eligible projects ready for financing during this IUP period. The Bank will fund projects according to the CWSRF PPL developed by RIDEM and readiness to proceed. Projects on the draft SFY2026 PPL total $2,498,206,381 but it is noted not all projects are ready to proceed. The total amount of projects that can be funded this year totals $63,223,950; therefore, the Bank estimates its funding gap to fully address the identified SFY26 PPL projects to be $2,434,982,431.

The Bank anticipates closing on four loans totaling $63,223,950 in SFY2026. The list of anticipated loan commitments can be found in Attachment C, Table 2.

C. Loan Terms and Fees

The CWSRF program offers an economic benefit to its borrowers in the form of loan interest subsidization. The standard interest rate is 1/3 off the individual borrower's market rate (as jointly determined by the Bank's financial advisor and the borrower's financial advisor). Loans can be up to twenty years in duration and can be structured to meet the repayment abilities unique to each borrower. Loan fees include a 1.0% loan origination fee and a 0.3% annual service fee on the outstanding balance of the loan. Interest is collected twice annually, and principal is collected once annually. The Bank uses fees collected to pay for administration costs and other operating expenses.

The Bank charges a 1.0% Loan Origination Fee on all loans. These fees help offset origination-related expenses. The Bank also charges a 0.30% service fee (per annum) on outstanding loan balances; this fee is used to pay the Bank's operating expenses.

Based on anticipated loan commitments of $63,223,950, the Bank anticipates the program income to be approximately $632,239.50.

D. Investment Practices

Loan demand can be met using direct loans or leveraged loans. Substantial demand for clean water funds exceeds capitalization grants and state match amounts. The Bank will be issuing revenue bonds, leveraging the Clean Water program, totaling $71,880,000 on June 24, 2025. Revenue Bonds are sized based on the amount of identified need, and a portion of the proceeds may include funds for the purpose of providing the state matching funds. The Revenue Bonds may be issued in a single series, or multiple, smaller series as funds are required for eligible project costs. The series of Revenue Bonds will be issued as needed. The current Clean Water and Drinking Water leverage ratio is approximately 2x.

As dictated by EPA, the State agrees to: 1) maintain records which account for fees separate from the CWSRF project fund, 2) identify in the IUP all types of fees charged on loans, including the fee rate, and the amount of fees available, and 3) include in the annual report the types of fees charged on loans, the amount of fees collected, and how those amounts were used.

E. Schedule of Anticipated Payments into the ASAP system

The Program anticipates deposits into the ASAP for the FFY2025 Base, IIJA General Supplemental and IIJA Emerging Contaminants Capitalization grants as outlined in the schedule in Attachment F. The Bank certifies that it will enter into binding commitments for 120% of each quarterly payment received under the base capitalization grant within one year of receipt of that payment. At this time, the Bank is unable to forecast an estimate as to when specific loan agreements will be signed. Loans are closed based on projects being ready to proceed. Additionally, it is expected that the Bank will draw cash from ASAP as per the same schedule.

F. Federal Cash Draw Proportionality Ratio

On November 18, 2022, the Office of Grants and Debarment (OGD) approved a permanent regulatory exception to the State Revolving Fund cash draw rules. This exception eliminates the requirement for the states to draw SRF disbursement request at a proportional federal to state ratio. It also eliminates the cap on federal funds that can be drawn for refinance projects in the first eight quarters after EPA awards a capitalization grant to the state.

G. FIFO (First-In, First-Out)

In response to the Performance Evaluation Report (PER), the Rhode Island Infrastructure Bank has developed a formal First-In, First-Out (FIFO) Implementation Plan for the Drinking Water State Revolving Fund (DWSRF) Program. While the Bank remains committed to maximizing FIFO compliance, it recognizes certain structural limitations within its current loan funding model. To address this, the Bank will enhance its financial tracking systems,

strengthen internal controls, and revise disbursement procedures. Key actions include regular review of draw schedules, monitoring of weekly disbursements, updating funding sources for large draws, monthly reconciliation with EPA ULO reports, and staff training on FIFO procedures. These measures will be implemented as of June 2, 2025. The FIFO Implementation Plan is provided in Attachment L.

H. Transfer Authority between Clean Water and Drinking Water SRF's

In accordance with the Safe Drinking Water Act (SDWA) and the SRF funds transfer provisions (Section 302), the State hereby reserves the authority to transfer an amount up to 33 percent of the DWSRF program capitalization grant(s) to the CWSRF program, or an equivalent amount from the CWSRF program to the DWSRF program. In addition, the Bank may transfer funds between CWSRF and DWSRF IIJA General Supplemental grants, and between the CWSRF and DWSRF IIJA Emerging Contaminants capitalization grant. At present, no transfer of funds is planned; however, the Bank reserves the right to transfer funds in the future.

I. Cross-Collateralization of the CWSRF and DWSRF Revenue Bond Structure

The Master Trust Agreement dated May 1, 2021, provided for a bond structure that allows for cross-collateralization of the CWSRF and the DWSRF to provide additional bond security and ratings enhancement for both programs. With cross-collateralization, excess CWSRF revenues (revenues pledged to repayment of CWSRF bonds over and above what is needed to make actual debt service payments) would be available to cure any DWSRF bond payment default or reserve fund deficiency. Likewise, excess DWSRF revenues would be available to cure any CWSRF bond payment default or reserve fund deficiency. Pursuant to federal regulations, cross-collateralization support cannot extend to debt specifically issued for the purpose of providing state matching funds. The Master Trust Documents provide adequate safeguards to ensure that future CWSRF or DWSRF bond issues will comply with this limitation. Revenues pledged to the repayment of CWSRF bonds include: principal and interest payments received on loans and investment earnings on funds and accounts within the bond indenture, including a reserve fund comprised of CWSRF program assets (cash). The Master Trust Documents and each series bond indenture require that revenues be pledged sufficient to cover the debt service requirement for each payment date at least 1.1 times. Accordingly, a cash flow surplus is anticipated for each period absent a borrower default on a loan. This surplus flows to the other series of the CWSRF and DWSRF bonds. Under the new Master Trust Indenture, all CWSRF loans are pledged to all CWSRF outstanding bonds, and all DWSRF loans are pledged to all DWSRF outstanding bonds:

- The order of priority for surplus CWSRF pledged revenues is: CWSRF bond issue debt service payment deficiencies.
- Any DWSRF bond issue debt service payment deficiencies (but not DWSRF state match bonds);
- CWSRF bond issue reserve fund deficiencies.
- Any DWSRF bond issue reserve fund deficiencies (but not DWSRF unrestricted reserve

funds that secure DWSRF state match bonds).
- To replenish and repay the DWSRF for any surplus DWSRF pledged revenues that were previously utilized to cure a CWSRF bond issue debt service or reserve fund deficiency.
- All remaining funds are released back to the CWSRF Loan Account.

The order of priority for surplus DWSRF pledged revenues is similarly structured, as such any surplus CWSRF pledged revenues that are utilized to cure a DWSRF bond issue debt service or reserve fund deficiency will ultimately be repaid to the CWSRF through operation of the Master Trust Documents.

VII. Projected Funding List

With the awards from the FFY2025 Base Capitalization Grant, the IIJA General Supplemental Grant, and the FFY2024 IIJA Emerging Contaminants Grant — along with the required State Match funds — totaling $32,632,800, the Bank anticipates funding all or portions of the projects listed in Attachment C. Applications have been received from the following three entities:

Borrower	Amount
Narragansett Bay Commission	$50,000,000
Narragansett Bay Commission	$400,000 (FFY24 EC Funds)
Warwick Sewer Authority	$9,660,000
Town of West Warwick	$3,163,950
Total	**$63,223,950**

VIII. ADDITIONAL SUBSIDIZATION

Certain laws governing the CWSRF program have instituted various amounts of additional subsidization provisions. The origin of current additional subsidization provisions and their amounts are as follows:

1.) WRRDA of 2014

Section 603 (i) instituted a permanent authority for states to provide a certain percentage of its total capitalization grant award as additional subsidization under certain conditions, depending on the total federal appropriation amounts:

- total appropriation less than or equal to $1 billion: no additional subsidy authorized.
- total appropriation greater than or equal to $1.3 billion: additional subsidy up to 30 percent of the capitalization grant authorized.
- total appropriation greater than $1 billion, but less than $1.3 billon: a percentage equal to the percentage by which the appropriation exceeds $1 billion authorized.

For example, if the total annual appropriation is $1.1 billion, the total amount of additional subsidization available for all States would be $110 million, with each CWSRF able to provide up to 10 percent of its total capitalization grant as additional subsidization.

Additional subsidization may only be applied to eligible recipients for the following:

- to benefit a municipality that meets the State's affordability criteria as established under the FWPCA section 603(i)(2).
- to benefit a municipality that does not meet the State's affordability criteria but seeks additional subsidization to benefit individual ratepayers in the residential user rate class; or
- to implement a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project planning, design, and construction. (Note: These types of projects also satisfy the Green Project Reserve dedicated for projects for water/energy efficiency, green infrastructure, or environmentally innovative projects.)

The total federal CWSRF appropriation for FFY2025 is $1,638,861,000, therefore the states, including RI, are allowed to implement additional subsidization from 0% up to 30%.

2.) Appropriations Acts

The Consolidated Appropriations Act of 2025 requires that 10% of the Base Capitalization Grant be provided as additional subsidization for those same eligibilities noted above.

3.) IIJA

IIJA not only provides supplemental capitalization grants but also made certain provisions onto the base capitalization grant. IIJA requires that a minimum of 10%, but no more than 30% of the Base capitalization grant be allocated to the eligibility criteria noted above. IIJA also requires that 49% of the General Supplement Grant to be provided as additional subsidization.

The additional subsidization provisions from each authorizing source are additive.

4.) Base Grant

The Bank will be providing (20%) of the Base Capitalization Grant) in additional subsidy from the FFY2025 Base Capitalization Grant to eligible borrowers. This percentage is derived from the required minimum additional subsidization from the congressional appropriation (10%) and CWA (10%). Subsidization will be provided in the form of either principal forgiveness or grants to the following types of eligibilities:

- Any municipality that meets the state's affordability criteria as established under the CWA section 603(i)(2).

- Municipalities that do not meet the state's affordability criteria but that seek additional subsidization to directly benefit individual ratepayers in the residential user rate class that will otherwise experience significant hardship from increased rates due to the project; or
  to any eligible recipient for a project that implements a process, material, technique, or technology that addresses water or energy efficiency goals; mitigates stormwater runoff; or encourages sustainable project planning, and construction.

The subsidy amounts are shown below:

FFY	Base Capitalization Grant	Congressional Additional Subsidy	CWA Additional Subsidy	Total Subsidy Amount
		Required (10%)	Required (10%)	**20%**
2025	$10,653,000	$1,065,300	$1,065,300	**$2,130,600**

5.) IIJA General Supplement Grant

IIJA mandates that exactly 49% of funds provided through the CWSRF IIJA General Supplemental Capitalization Grant must be provided as principal forgiveness and/or grants to those statutory eligibilities listed above, with a priority on reaching Disadvantaged Communities. The subsidy amount is shown below. For the Clean Water SRF program, disadvantaged communities are defined as those communities meeting the affordability criteria of the State, which is discussed in detail in Section B., below.

FFY	IIJA General Supplemental Capitalization Grant	Congressional Additional Subsidy	Total Subsidy Amount
		Required (49%)	
2025	$16,541,000	$8,105,090	**$8,105,090.00**

6.) IIJA Emerging Contaminants Grant

FFY	IIJA Emerging Contaminants Capitalization Grant	Congressional Additional Subsidy	Total Subsidy Amount
		Required (100%)	
2024	$1,428,000	$1,428,000	**$1,428,000**

The table below details the remaining additional subsidy from previous years that has yet to be allocated to projects. In the 2025 Annual Report, the Bank will address the reasons for the delay in committing these funds to loan agreements and will provide a plan detailing

which projects will use the remaining subsidy.

Grant	Requirement	Committed as of 5/30/2025
2022 IIJA General Supplemental	$5,855,500	$5,855,500
2022 IIJA EC	$628,000	$ 0
2023 IIJA General Supplemental	$6,858,040	$6,858,040
2024 IIJA General Supplemental	7,482,300.00	1,527,000
2023 IIJA EC	$1,428,000	$0

A. Green Project Reserve (GPR)

The concept of the Green Project Reserve (GPR) was first introduced in the 2009 American Recovery and Reinvestment Act. GPR is a goal to reserve a portion of the CWSRF funds to facilitate certain project types other than traditional clean water infrastructure. The intent of the GPR is to direct investment in the water sector toward projects that utilize green or soft-path practices that cost-effectively reduce the environmental footprint of water and wastewater treatment, collection, and distribution. These are projects that help utilities improve reliability due to certain factors, or enhance water and energy conservation, as well as projects that help communities to adopt more sustainable solutions to wet weather flows and promote innovative approaches to water management problems. Eligible GPR projects include in part a wide array of green stormwater infrastructure practices that maintain and restore natural hydrology through bioretention, infiltration and evapotranspiration; e.g. permeable pavement, tree filters, green roofs, vegetated BMPs, etc. All GPR projects must otherwise be eligible for CWSRF funding and must further the goals of the Clean Water Act.

This GPR goal has continued with subsequent appropriations of the CWSRF, including the FFY 2025 budget. The Consolidated Appropriations Act of 2025 states that, for fiscal year 2023, to the extent there are sufficient eligible project applications and projects are consistent with State Intended Use Plans, not less than 10 percent of the funds made available under this title to each State for Clean Water State Revolving Fund capitalization grants shall be used by the State for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

Further, the IIJA provides that if GPR is provided for in the annual appropriation, then the GPR is applicable to the IIJA capitalization grants for the corresponding fiscal year. This means that the 10% GPR is applicable to the IIJA General Supplemental

A good faith solicitation must be open to all GPR eligible projects in each of the four GPR categories: green infrastructure, water efficiency, energy efficiency, and other environmentally innovative projects. RIDEM's PPL and the Bank's annual open solicitation

for projects will be deemed enough for these purposes because the solicitation was open to all GPR eligible projects.

The State agrees to include in its Intended Use Plan (IUP) eligible projects or project components totaling at least 10% of its FFY25 Base Capitalization Grant and 10% of its General Supplemental IIJA Grant. The corresponding amounts are listed in the table below.

FFY2025	GPR (10%)
Base Capitalization Grant	$1,065,300
IIJA General Supplemental Grant	$1,654,100
FFY 24 -IIJA Emerging Contaminants Grant	$142,800

For SFY26, the state was unable to identify any projects that meet the IIJA Emerging Contaminants Green Project Reserve (GPR) eligibility criteria. Due to high demand and project readiness priorities, there were no eligible GPR projects that came forward as ready to proceed during RIIB's call for projects to prepare the IUP. This does not bar any eligible GPR projects from applying later in the fiscal year.

Clean water projects expected to close in SFY2026 with GPR-based principal forgiveness include:

- Narragansett Bay Commission: CSO Phase III A Fac. - BPWWTF Clarifiers and Flow Splitters

*Please note that it is anticipated that a portion of the NBC loan will qualify for GPR funding.

GPR qualifying projects identified to meet the 10% goal under the IIJA General Supplemental grant are as follows:

- Narragansett Bay Commission: BPWWTF Sludge Digestion Facility Improvements
- Narragansett Bay Commission: CSO Phase III A Fac. - BPWWTF Clarifiers and Flow Splitters

Projects for GPR additional subsidization were identified in order of their rank on DEM's Project Priority List with higher ranked projects being eligible for funding first. Projects must be ready-to-proceed, have GPR eligible components, and have submitted a financial application to RI Infrastructure Bank by the priority date of September 1, 2025.

B. Affordability Criteria

The Bank's Affordability Criteria for FY26 mirrors the previous fiscal year's criteria and eligible entities from FY25. IIJA The Affordability Criteria, adapted to ensure disadvantaged communities are properly categorized, is shown below.

- Affordability Criteria for Disadvantaged Communities

To assess affordability needs in the CWSRF, Rhode Island has established an Affordability Criteria for Rhode Island's municipalities and wastewater and drinking water utilities. After applying the Criteria, entities with an Affordability Index less than the statewide average may qualify for additional subsidization such as principal forgiveness. Indexed entities are grouped into tiers, with tiers further below the statewide average qualifying for increased levels of subsidization.

Once every two years, prior to the release of the Intended Use Plan for the fiscal year, RI Infrastructure Bank shall use current data, funding availability and expected loan volume to update the calculation, tiers and thresholds; RI Infrastructure Bank may also establish additional eligibility provisions at its discretion. All RI municipalities shall be indexed along with selected drinking water and wastewater entities. Additional entities can be indexed on an as-needed basis.

The Affordability Index is calculated using the statutorily required variables in the following formula:

Affordability Index = Median Household Income * Employment Rate * Population Ratio

- **Median Household Income**[1] is a widely accepted metric of a household's ability to afford the cost of infrastructure projects. A community with higher median household income suggests higher ability to afford the cost of infrastructure.

[1] Median Household Income data
Municipalities and drinking water/wastewater systems serving over 10,000: Data source: Census Bureau, 2016-2020 American Tables S1903 Median Income in the Past 12 Months (2020 Inflation-Adjusted Dollars). Accessed August 2022. Link: https://data.census.gov/cedsci/table?q=median%20household%20income&g=0400000US44,44%2406000000&tid=ACSST5Y2020.S1903&tp=true
Water systems entirely in one census tract such as University of Rhode Island are treated as small systems and use census tract level data (S1901 data source link below).
Drinking water and wastewater systems serving 10,000 or less; or in one census tract: Data is from a) an income survey of the entire water system or b) census tract level Census Bureau data. If a system serves multiple census tracts, the census tract with the lowest income is used. Census Bureau, 2016-2020 American Tables S1901 Median Income in the Past 12 Months (2020 Inflation-Adjusted Dollars). Accessed August 2022. Link:
https://data.census.gov/cedsci/map?q=S1901%3A%20INCOME%20IN%20THE%20PAST%2012%20MONTHS%20%28IN%202019%20INFLATION-ADJUSTED%20DOLLARS%29&g=0400000US44,44%241400000&tid=ACSST5Y2020.S1901&cid=S1901_C01_012E&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.6571,-71.4863,z8.8156

- **Employment Rate**[2] represents the resident employment size divided by the size of the total labor force in the community. Higher employment rates suggest that a community has more residents able to afford the cost of infrastructure than a community with lower rates.
- **Population Ratio**[3] is the ratio of the current US Census Bureau population to the previous Census population expressed as a percentage. A percentage greater than 100% indicates communities with a growing population, and a percentage less than 100% indicates a shrinking population. A growing population indicates an increasing ratepayer base to absorb infrastructure costs.

Large wastewater and drinking water systems serving over 10,000 users shall be tiered based on the tier of the municipality they serve. Large systems serving multiple municipalities shall be tiered based on an index set to be a weighted average of each municipality served. Weighting shall be based on retail population served or flow data and come from publicly available sources or entity-provided data.

Small wastewater and drinking water systems serving 10,000 users or less shall be tiered based on median household income from an income survey as available or census tract data. If a system serves multiple census tracts, the census tract with the lowest income shall be used.

Eligible systems with an Affordability Index 75% or less of the statewide average shall be designated a tier 1 entity; systems with an Affordability Index between 76% and 89% shall be designated a tier 2 entity; systems with an Affordability Index between 90% and 100% of the statewide average shall be designated a tier 3 entity. Domestic limited liability companies and domestic profit corporations, excepting cooperatives, are not eligible for tiers 1 through 3.

The Affordability Index results are shown in Appendix 1. All 39 RI municipalities have been indexed, along with selected drinking water and wastewater entities. Additional drinking water and wastewater entities can be indexed on an as-needed basis.

The table below describes the SFY25 and SFY26 Tiers with eligible communities listed. Entities not listed are either not eligible or have not been indexed.

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[2] Employment data is from the RI DLT 2021 Annual Average Labor Force Statistics. Accessed August 2022. Link: https://dlt.ri.gov/labor-market-information/data-center/unemployment-ratelabor-force-statistics-laus. Data source: RI DLT, Labor Market Information, updated 3/2022.
Water systems entirely in one census tract such as University of Rhode Island use census tract level data from the 2020 American Community Survey 5-Year Estimates. Link: https://data.census.gov/map?t=Employment+and+Labor+Force+Status&g=0400000US44$1400000_1400000US44009051400&tid=ACSDP5Y2020.DP03&cid=DP03_0004PE&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.5616,-71.2036,z9.6129

[3] Population data is from RI Division of Statewide Planning. Accessed August 2022. Link: https://planning.ri.gov/ri-census-2020. Source: US Census Bureau, 2020 Census and 2010 Census.

Table 3: Tiers with eligible communities (% = Community Index as Percentage of State Index)

Tier 1 Affordability Index **75% or less**	**Tier 2** Affordability Index between **76% - 89%**	**Tier 3** Affordability Index between **90% - 100%**
City of Central Falls 59% City of Woonsocket 67% Woonsocket WWTF 73%	City of Providence 77% City of Pawtucket 78% Narragansett Bay Commission 83% City of East Providence 85% Tiverton Wastewater District 89%	Town of West Warwick 90% West Warwick WWTF 91% City of Warwick 96% Town of North Providence 97% City of Newport 98% Town of Narragansett 99% Note: Funding only available in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2

Allocating Principal Forgiveness

Projects closing loans in SFY25 and SFY26 shall be allocated principal forgiveness according to the following table.

Table 4: SFY25 and SFY26 Tiers with thresholds and principal forgiveness

Tier	**Index Threshold**	**CW SRF Principal Forgiveness**
Tier 1	**0-75%** of state average	40% of project cost for projects meeting priority dates
Tier 2	**76-89%** of state average	20% of project cost for projects meeting priority dates
Tier 3	**90-100%** of state average	Funding possible in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2
All Public Entities		Forgiveness available for Green Project Reserves by order of PPL ranking. 25% of GPR project cost.

Principal forgiveness amounts are contingent upon funding availability and readiness to proceed. The Bank strives to accommodate all borrowers and, for financial applications not received by the priority date, or not ready-to-proceed, shall allocate principal forgiveness in the order in which ready-to-proceed financial applications are received. Affordability-based principal forgiveness is additive to GPR-based principal forgiveness.

C. Criteria and Methods for Distribution of CWSRF Funds

RIDEM has an integrated priority ranking system, approved by EPA Region I. A PPL is developed annually using this ranking system (Attachment A).

The CWSRF will provide loans for up to 100% of eligible project and finance costs, consistent with Federal limitations on the use of CWSRF funds, with the State determining the eligibility based on state-developed criteria.

The Bank and RIDEM take several factors into consideration when determining which projects from the PPL will be funded by the CWSRF. These factors include:

- Relative ranking on the PPL;
- Indication that the eligible potential borrower has the authority to encumber debt for water pollution abatement projects from the Bank;
- Indication that eligible potential borrower will make an application to the CWSRF for financing;
- Indication that the eligible potential borrower's credit quality is adequate;
- Indication that RIDEM will approve the project in the form of a Certificate of Approval; and
- Indication that the project is ready to proceed within six months of closing the loan.

D. By-Pass procedure and revisions to the Intended Use Plan

The CWSRF program may fund any eligible project that appears on the Project Priority List, regardless of priority order. For this IUP, the list of projects that are intended to be funded are presented in Table 2. In the event that projects identified for funding in this IUP are unable to proceed, funding assistance for these projects will be bypassed and other eligible projects from the PPL will be selected for funding based on procedures in the priority determination system, readiness to proceed, and availability of funds. The projects on the PPL will have been previously identified and approved through a public participation process, and are herein included in Attachment A, which was additionally included in the public notice requirement for this IUP under 40 C.F.R. Section 35.3150 (c). Such change in ultimately funded projects shall not require an amendment to this Intended Use Plan.

Throughout the course of the year the need may arise to amend this IUP. In such an event, the Program will make applicable revisions and post the proposed IUP for public notice and comment before finalizing and sending to EPA for approval.

IX. ASSURANCES AND SPECIFIC PROPOSALS

The Bank provides the necessary assurances and certifications as part of the Operating Agreement (OA) between the Bank and EPA. Rhode Island's OA includes requirements of the following sections of the law:

602 (a): Environmental Reviews

RDEM has formulated the State Environmental Review Process (SERP) which has been approved by EPA. For FFY2023 funds, we expect that most projects will require a Finding of No Significant Impact (FONSI) or a Categorical Exclusion. Non-treatment works projects do not require environmental review under the SERP.

602 (b)(3): Binding Commitments

The Bank certifies that it will enter into binding commitments for 120% of each quarterly payment received under the Capitalization Grant(s) within one (1) year of receipt of that payment into the EPA/ACH payment system.

602 (b)(4): Expeditious and Timely Expenditures

The Bank will expend all funds in CWSRF in a timely and expeditious manner. Disbursements for approved CWSRF projects are dependent upon the accuracy of construction schedules and consistency with planning. The Bank agrees that it will not provide assistance to any project unless that project is consistent with plans developed under Section 205(j), 208, 303(e), 319 or 320.

X. EQUIVALENCY AND FEDERAL REQUIREMENTS

By statute, certain Federal requirements apply to assistance provided "in an amount made directly available by" the Federal capitalization grant. A State can choose a project or (group of projects) equaling the amount of the Federal Capitalization Grant to comply with these requirements. These projects are "equivalency projects." The selected equivalency project(s) must complete certain Federal requirements. FFATA compliance requires that one single set of projects is selected to satisfy all Federal equivalency requirements. Project(s) selected for equivalency must contain documentation verifying compliance with all the following Federal requirements:

- Single Audit Act - documented in the assistance agreement.
- Disadvantaged Business Enterprise -– Good Faith Efforts documented in the assistance agreement and bid documents

- A/E Procurement (applicable to CWSRF only) – Documented by a self-certification.
- Signage - documented in the assistance agreement - documented by State inspection
- Federal Socioeconomic Crosscutters -documented by State Checklist or concurrence letter and assistance agreement.
- FFATA – Federal Financial Accountability and Transparency Act - Documented by reporting to FSRS.gov.
- Telecommunications Equipment and Services Prohibition – documented in the assistance agreement and bid documents.
- BABA (starting with FFY 2022 Capitalization Grants) - documented in the assistance agreement, bid documents, and State inspection reports.

Rhode Island currently applies equivalency for reporting purposes to the following federal requirements:

- Federal Funding Accountability and Transparency Act (FFATA)
- Architectural and Engineering Services (A/E) Procurement
- Single Audit Act
- Build America Buy America (BABA) Act

All other equivalency requirements are applied to all CWSRF projects, regardless of source of funding.

On a regular basis, the Bank and RIDEM continuously collaborate to assess the loan pipeline, pinpointing projects that satisfy the specified equivalency criteria. These selected projects will be documented in the Annual Report by both the Bank and RIDEM.

The A/E requirement is applied to all projects used for FFATA reporting. RI has a state qualification-based procurement requirement and will be comparing it to the federal A/E requirement for use as a qualifying State A/E procurement process. Until then, RI will continue to have borrowers apply the federal Brooks Act process for A/E procurements and self-certify to such in their CWSRF applications.

While no changes are being proposed for this IUP, RIIB and DEM are in communication regarding the potential value in applying other equivalency requirements to selected equivalency projects in the RI CWSRF program for the future. The benefits of designating equivalency projects include lessening the burden of reporting and record keeping in administration of the program, while potentially minimizing the burden to comply with the Federal requirements on certain borrowers such as small systems or disadvantaged communities. Currently, the RI CWSRF program extends the Federal requirements to all borrowers as a matter of fairness, and because the State of RI applies some of the same requirements.

The Bank and RIDEM can combine both the Base and IIJA General Supplemental funds to comply with the reporting equivalency requirements and designate a project(s) equal to the amount of the capitalization grants as federal projects.

Equivalency cannot be applied to the IIJA Emerging Contaminants grant. The projects that are funded with this grant must meet all of the federal requirements.

In SFY 2026, the Bank and RIDEM plan to report Narragansett Bay Commission projects that meet equivalency requirements for the FFY 2025 Base and General Supplemental Grants under FFATA.
Both the Bank and RIDEM will fully comply with the equivalency requirements described above. Additional details are provided below under the reporting requirements section.

XI. REPORTING REQUIREMENTS

The Bank and RIDEM are committed to ensuring that all reports and electronic data are submitted by their deadlines.

- **Federal Funding Accountability & Transparency Act (FFATA)** – The Bank is committed to transparency and accountability under FFATA. The reporting requirements are now available on SAM.gov At the time of loan closing, the Bank will designate the borrower(s) responsible for FFATA reporting. The Bank program information, IUP's, Bank Annual Reports, Audited Financials and other program materials will be posted on the Bank's website: www.riib.org.

- **SRF Data System -**This system has updated and consolidated multiple reporting databases, including the former Clean Water Benefits Reporting (CBR) and National Information Management System (NIMS). Project milestones and other pertinent information is reported through EPA's SRF Data System. The Bank and RIDEM are committed to entering data into the EPA SRF Data System to evaluate the benefits of the RI CWSRF Program. The Bank and RIDEM will continue its quarterly reporting in the OWSRF EPA Database.

- **Utilization of Small, Minority and Women's Business Enterprise (aka federal DBE requirement) –** The Bank and RIDEM agree to comply with the requirements of EPA's program for DBE in procurement under assistance agreements contained in 40 CFR, Part 33, and as may be changed from year to year:

    - On June 29, 2023, the U.S. Environmental Protection Agency's (EPA) Office of Grants and Debarment published RAIN-2023-G024: Reinstatement of the Requirement for Recipients to Negotiate Fair Share Objectives (FSOs) for MBE and WBE Participation.
    - Effective October 1, 2023, EPA financial assistance recipients were required to submit proposed MBE and WBE FSOs and supporting documentation to EPA within 120 days after acceptance of a financial assistance award in accordance with 40 CFR Part 33, Subpart D. The national term and condition relating to compliance

[4] RAIN-2023-G02 | US EPA

with 40 CFR Part 33 was updated and placed on all new awards made on or after October 1, 2023 to reflect this change in policy.

- EPA partially rescinded RAIN-2019-G10[5] and reinstated the requirement for recipients to negotiate FSOs for minority business enterprise (MBE) and women's business enterprise (WBE) participation in procurement under assistance agreements.
- Current as of April 7, 2025 (RAIN-2025-G02)[6]: Effective immediately and until further notice, EPA has suspended:
    1. Fair share objectives negotiation requirements under 40 CFR Part 33 Subpart D;
    2. Recipient reporting requirements under 40 CFR 33.502;
    3. All enforcement and compliance actions pursuant to 40 CFR Part 33.105;
    4. Collection of EPA Form 5700-52A as a condition of closeout.

All provisions of 40 CFR Part 33 not specifically listed remain in effect. Recipients may continue to follow these provisions; however, EPA will not pursue any enforcement actions against a recipient for failure to comply with any parts of this regulation.

- **Single Audit Act –**In accordance with OMB Circular A-133, which implements the Single Audit Act, the Bank agrees to obtain a Single Audit from an independent auditor if it expends $1,000,000 or more in total federal funds in any fiscal year. The Bank shall submit a copy of the SF-SAC and the Single Audit Report Package to the Federal Audit Clearinghouse within nine months after the end of its fiscal year or within 30 days of receiving the auditor's report, whichever is earlier.
  All projects that receive federal funds are notified of the Single Audit requirement, regardless of the amount received. However, only sub-recipients that expend $1,000,000 or more in federal funds during a fiscal year are required to obtain a Single Audit.

- **EPA Annual Report** – The Bank agrees to provide an Annual Report to the EPA by September 30 following the first fiscal year in which it receives payments under Title VI. The Bank will submit this report according to the schedule established in the grant agreement

- **EPA Sustainability Policy Implementation** - The Bank and RIDEM continue to support the implementation of EPA's Infrastructure Sustainability Policy by funding only wastewater treatment projects that are consistent with local wastewater facilities plans, prioritize projects through an integrated priority determination system that places emphasis on public health and water quality protection projects and awards extra points for "smart growth" projects and projects that incorporate GPR elements, and tie Additional Subsidization to GPR projects. While recently most of the projects

[5] https://www.epa.gov/grants/rain-2019-g10

[6] https://www.epa.gov/grants/rain-2025-g02

currently funded are mandated through compliance orders or consent agreements, both the Bank and RIDEM recognize that has not beenthe case in the past nor will it be in the future. The Program will therefore continue to investigate means by which other sustainability measures (e.g., effective utility management, asset management, and integrated water resource management) can be further incorporated into funding decisions to build a "pipeline" of sustainable projects eligible to receive CWSRF funding.

- **Additional Requirements** - To comply with federal reporting requirements for the FFY2025 Capitalization Grant, including Davis-Bacon provisions, the Bank will apply these requirements to all of its treatment works projects. The Bank will also ensure compliance with other applicable federal requirements, such as the Single Audit Act and federal environmental crosscutters. At the time of loan closing, the Bank will designate the borrower for FFATA reporting purposes

A. Davis-Bacon Wage Rates

Section 602(b)(6) of the CWA permanently applies the prevailing wage (Davis-Bacon) provision of FWPCA Section513 to any projects for treatment works that are funded by the CWSRF. Consistent with EPA's prior implementation of this provision, application of the Davis-Bacon Act requirements extends not only to assistance agreements funded with capitalization grants, but to all CWSRF-funded projects involving the construction of treatment works regardless of the source of the funding (e.g., prior years' appropriations, state match, bond proceeds, interest earnings, principal repayments, etc.). Any project that is considered a "treatment work" as defined in the CWA Section 212, now incorporated into the CWA as Section 502(26), must comply with Section 513, regardless of which eligibility it is funded under (see section 603(c)). It should be noted that the RI CWSRF program does not consider projects constructing or implementing green stormwater infrastructure to be treatment works.

B. American Iron & Steel (AIS) and Build America Buy America Act (BABA)

On June 10, 2014, WRRDA amended the CWA to include permanent requirements for the use of AIS in CWSRF financed treatment works projects. Section 608 of the CWA now contains requirements for AIS that repeat those of the Consolidated Appropriations Act of FY2014. As such, all CWSRF treatment works projects must comply with Section 608 of the CWA for implementation of the permanent AIS requirements. Therefore, all guidance adopted for FY2014 apply for the permanent AIS requirements for the CWSRF.

IIJA added a new Build America, Buy America Act of 2021 (BABA) requirement to the CWSRF program. BABA expands existing American Iron and Steel (AIS) requirements to include construction materials and manufactured goods, however BABA only applies to equivalency projects. All steel, iron, manufactured products, non-ferrous metals, plastic and polymer-based products (including
polyvinylchloride, composite building materials, and polymers used in fiber optic cables),

glass (including optic glass), lumber, and drywall used in infrastructure projects for federal financial assistance programs must be produced in the United States. BABA applies to all types of equivalency projects, including treatment works and non-treatment works projects.

The effective date of BABA is May 14, 2022, which means any grants awarded on or after that date must be fully compliant with BABA unless they qualify for the waivers.

The Federal Office of Management and Budget (OMB) released program guidance to agencies on April 18, 2022.7

There are currently three approved BABA waivers:

1) Amended Public Interest Waiver of Section 70914(a) of P.L. 117-58, Build America, Buy America Act, 2021 for SRF and Water Infrastructure Projects that initiated Design Planning Prior to May 14, 2022.8
2) De Minimis General Applicability Waiver of Section 70914(a) of P.L.117-58, Build America, Buy America Act, 2021 for U.S. Environmental Protection Agency Financial Assistance Awards and Procurements9
3) Small Project General Applicability Waiver of Section 70914(a) of P.L. 117-58, Build America, Buy America Act, 2021 for U.S. Environmental Protection Agency Financial Assistance Awards.10

C. Fiscal Sustainability Planning

For treatment works proposed for repair, replacement, or expansion, the EPA requires that Program borrowers develop and implement a fiscal sustainability plan (FSP) that includes:

- an inventory of critical assets that are a part of the treatment works;
- an evaluation of the condition and performance of inventoried assets or asset groupings;
- a certification that the recipient has evaluated and will be implementing water and

[7] https://www.whitehouse.gov/wp-content/uploads/2022/04/M-22-11.pdf

[8] https://www.epa.gov/system/files/documents/2023-11/epa-amend-srf-design-planning-waiver.pdf

[9] https://www.epa.gov/system/files/documents/2022-10/EPA%20BABA%20De%20Minimis%20Waiver%20Final%20Oct%202022.pdf

[10] https://www.epa.gov/system/files/documents/2022-09/Small%20Proj%20Gen%20App%20Waiver%20BABA%20EPA.pdf

energy conservation efforts as part of the plan; and

- a plan for maintaining, repairing, and, as necessary, replacing the treatment works and a plan for funding such activities; or a certification that the borrower has developed and implemented a plan that meets these requirements.

The Borrower shall develop and implement the FSP for the Planning Area in accordance with all statutory requirements. The FSP for the Planning Area shall be submitted to the RIDEM with a copy to the Bank prior to closing on any final design or construction Loan.

D. Cost and Effectiveness

Starting with the loan applications submitted as of April 1, 2016, EPA requires that borrowers provide a certification that they:

- have studied and evaluated the cost and effectiveness of the processes, materials, techniques and technologies for carrying out the proposed project; and

- have selected, to the maximum extent practicable, a project that maximizes the potential for efficient water use, reuse, recapture, and conservation, and energy conservation, taking into account:

    - the cost of constructing the project

    - the cost of operating and maintaining the project over the life of the project; and

    - that the cost of replacing the project.

The Bank has developed a Cost and Effectiveness Self-Certification Form stating that as a condition for receiving assistance through the SRF, the Borrower hereby certifies that per Section 602(b)(13) of the WRRDA the project is Cost Effective.

E. Architectural and Engineering (A/E) Services Procurement

The 2014 WRRDA Amendments requires that A/E services that are paid with Federal funds for Clean Water projects be procured using the qualifications-based selection process under Chapter 11 of title 40, United States Code or an equivalent state qualifications-based requirement.

This federal requirement, which is cross-referenced in State Law for all municipalities utilizing federal funds, will be implemented for all projects receiving CWSRF funding for A/E services.

The RI CWSRF Program will report A/E usage in the FFATA system only for equivalency reporting purposes.

XII. OTHER REQUIREMENTS

A. Project Accounting

The EPA requires that project accounts be maintained in accordance with generally accepted government accounting standards, including standards relating to the reporting of infrastructure assets. The Bank has always required that project accounts be maintained in accordance with generally accepted government accounting standards, but not particularly with respect to the reporting of infrastructure assets. The most recent applicable standard is Governmental Accounting Standards Board (GASB) Statement No. 34, issued in June 1999, which details governmental reporting requirements including standards for reporting of infrastructure assets. The Bank has changed the standard condition in the Project Regulatory Agreement to reflect this.

B. Signage and Awareness

The Bank agrees to comply with the Signage Guidance and requirements for the Base funding to enhance public awareness of EPA assistance agreements. The Bank will require the EPA logo on all project signs.

In order to implement EPA Memo dated June 3, 2015, pertaining to Guidelines for Enhancing Public Awareness of SRF Assistance Agreements, RIDEM and RIIB have required a project sign for all construction projects and will continue to do so for the projects receiving funding from the FFY 2025 allotments.
The purpose of the signage is to enhance awareness and promote transparency on construction and non-construction projects and activities funded through the CWSRF. In addition to requiring appropriate signage for all construction projects, the RI CWSRF Program will require that recipients incorporate statements of acknowledgement in all published materials covering activities funded by BIL, in accordance with the guidance.

C. Public Review and Comment

The Public Notice of the draft PPL was posted for public comment in the Providence Journal on June 6, 2025 and the draft IUP was put on Public Notice in the Providence Journal on Friday, June 23, 2025. Additionally, the draft IUP has been posted on the Bank's website and the draft PPL has been posted on the RIDEM website providing the opportunity for public comment for thirty (30) days from the date of posting. During the public comment period, RIDEM received an inquiry from the Narragansett Bay Commission regarding the eligibility of a potential project for SRF funding. Additional details are provided in a memo from RIDEM included as Attachment M.

XIII. Program Evaluation Report (PER) and Audit Findings

The action items below and recommendation were listed in the PER for SFY 2024 (7/1/23-6/30/2024).

Follow Up from Last Year's PER

1. EPA recommends that RI DEM establish a CatEx request application and guidance to standardize and optimize the CatEx review process. EPA will send RI DEM examples of checklists and guidance from other states to refer to while creating something that works best for them.
   - **Status**: On-going. EPA sent RI DEM examples of other state's environmental review checklists on 5/30/2024. Because of staffing issues in the CWSRF program, this was not purposed prior to last year's Annual Review. RI DEM indicated during on-site discussions that they are evaluating their current State Environmental Review Process for potential changes, including a more standardized CatEx process.
2. Develop a process to verify that CWSRF projects request for proposals and bid announcements are being publicly advertised.
   - **Status**: Resolved
3. Refund the ineligible costs of $3,751.21, $3,881.35 and $5,270.56 back into an open capitalization grant through ASAP via negative draws. A subsequent positive draw will have to be made for $12,903.12 (sum of the three ineligible expenses) from an alternative source of funds to reimburse costs that are associated with water quality monitoring. The State will also have to provide documentation that the proper corrections have been made by refunding the ineligible uses back into an open capitalization grant via negative draws and subsequent positive draws on the proper source of funds. The deadline for this Action Item is October 1st, 2024.
4. **Status:** Resolved. The Region received the documentation from RIIB initiating the negative draw refunding the ineligible use back to EPA as well as email communications addressing the steps needed to get the funding ready for disbursement by the State. On May 30, 2025, RI DEM provided documentation showing that a subsequent positive draw was made on an alternative source outside the CWSRF was used to reimburse costs associated with water quality monitoring. The state must report in their Annual Report and the IUP, and to the extent known at the time, when they unbank previously banked authority of CWSRF administrative funds, how much was unbanked and what the funds were used for.
   - **Status:** Resolved. Going forward both RIIB and RI DEM will include information on unbanking previously banked funds in their IUP and Annual Report.
5. RIIB must adhere to the FIFO method of drawing down on the oldest open capitalization grants first and not tie specific base capitalization grant additional subsidy to projects. As such, RIIB must draw down the remaining balances on the 2020 and 2021 capitalization grants by September 1st, 2024. If RIIB legal staff has questions

or concerns with not linking additional subsidy to specific capitalization grants, then EPA can be available for a call.

- **Status:** Ongoing. RIIB did draw down the remaining 2020 and 2021 capitalization grant balances, but the State has yet to implement the FIFO method of drawing down funds considering the 2022 IIJA Supplemental capitalization grant still reports a balance when the State has commenced draw downs on the 2023 Base and 2023 IIJA Supplemental capitalization grants. This indicates that FIFO still has not been properly implemented.
- RIIB must adhere to the FIFO method of drawing down on the oldest open capitalization grants first and not tie specific capitalization grant dollars and additional subsidy to specific project/s. In OWSRF, projects must be specified for each of the capitalization grant additional subsidy requirements, but the actual capitalization grant dollars do not need to be drawn to give subsidy to that project. As such, the 2022 IIJA Supplemental capitalization grant should be completely drawn down before proceeding to the FY23 Base and IIJA Supplemental capitalization grants. A written plan as to how the State will proceed with FIFO must be submitted to EPA by 6/1/2025 and included in the SFY26 IUP with the results included in the SFY25 Annual Report.

6. Status: Resolved. The Bank submitted the FIFO Implementation Plan on June 17, 2025. Following feedback from the EPA, the Bank revised the plan to address their comments and submitted the updated version for EPA review on July 9, 2025.EPA recommends that RIIB submit the final FFSRs for 2019 capitalization grants because all of the other requirements have been met.
   - **Status:** Complete. RIIB submitted the final FFSR for the 2019 capitalization grant on 7/2/24.
7. EPA recommends that RI DEM attend the bi-annual CIFA conference and EPA/State workgroup meetings to further improve the RI CWSRF program.
   - **Status:** Complete. Both staff from RI DEM and RIIB attend the Spring and Fall EPA/State workgroup meetings.

Action Items and Recommendations for this Year's Review

- **RECOMMENDATION**: Choose to include either the permanent regulatory exception language or the 100% state match disbursement proportionality but not both moving forward starting with the SFY25 CWSRF Annual Report and SFY26 CWSRF IUP.
- **Status:** RIIB will include this in the SFY25 CWSRF Annual Report and SFY26 CWSRF IUP.
- **RECOMMENDATION**: A table displaying the cumulative state match should be included in the upcoming SFY25 Annual Report in order to track what state match deposits are associated with what capitalization grants.
- **Status**: RIIB will include a table displaying the cumulative state match in the upcoming SFY25 Annual Report.
- **RECOMMENDATION**: EPA recommends that RI DEM update their CWSRF Contract

Documents website to include the following federal crosscutters: The Age Discrimination Act of 1975, Section 504 of the Rehabilitation Act of 1973, Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, and Uniform Relocation and Real Acquisition Policies Act (if applicable).

- **Status**: Completed.
- **RECOMMENDATION:** EPA recommends that RIIB and RI DEM look at streamlining the IUP/PPL request for projects and public noticing processes and have clear written instructions posted on both agency websites on what borrowers need to apply to be on the PPL all year long and not just during the normal call for projects time period.
- **Status:** Ongoing**.** RIDEM has drafted written instructions to be uploaded to the website regarding the PPL. RIDEM and RIIB need to meet to discuss how to streamline the IUP/PPL Public noticing and the RIDEM/RIIB Calls for Projects.

XIV. ATTACHMENTS

A. Project Priority List
B. Table 1 -RIDEM Administrative Costs
C. Table 2 – Projected Funding List
D. Sources and Uses Table
E. Payment Schedule for ACH
F. Attorney General Certification
G. RI Infrastructure Bank and RIDEM Memorandum of Understanding (MOU)
H. RI Infrastructure Bank Loan Policies and Procedures
I. RIDEM Rules and Regulations
J. Affordability Criteria
K. IUP Acronyms and Definitions
L. FIFO Implementation Plan
M. Memo: Comments Received During Public Notice Period

A. Project Priority List

Clean Water State Revolving Fund (CWSRF)

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*Note: Final determinations of project eligibility or eligible assistance amount will be based upon specific project reviews. In certain cases, only portions of a proposed project may be eligible. Consistent with federal requirements, only those elements of a project that are determined to be eligible can receive financial assistance from the Clean Water State Revolving Fund (CWSRF).

Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
45	10	Portsmouth, Town of	N	Community Septic System Loan Program (CSSLP)	$2,000,000
42	8, 10	Charlestown, Town of	N	Community Septic System Loan Program	$600,000
40	10	South Kingstown, Town of	N	Community Septic System Loan Program	$1,000,000
39	11	South Kingstown, Town of	Y	TMDL Program Implementation	$1,000,000
38	10	Smithfield, Town of	N	Community Septic System Loan Program	$200,000
38	6, 11	South Kingstown, Town of	Y	Saugatucket R. Stormwater Study & Implement	$700,000
38	11	Westerly, Town of	Y	Main Street Stormwater	$5,000,000
37	4C, 10	Tiverton Wastewater District	N	Sewer Tie-In Loan Fund (STILF) Program	$300,000
37	4C	Tiverton Wastewater District	N	Ph. 1 Sewer Expans. Robert Gray & Riverside	$9,500,000
37	4C, 10	Warwick Sewer Authority	N	Community Sewer Tie-In Loan Fund	$150,000
36	5	Narragansett Bay Commission	Y	CSO Ph IIIA Facilities-BPWWTF Clarfiers, Flow Splitters	$60,722,000
36	5	Narragansett Bay Commission	N	CSO Phase IIIA - Construction Program Management	$43,814,000
36	5	Narragansett Bay Commission	N	CSO Phase IIIA - Pawtucket Tunnel & Pump Station Shaft	$485,692,000
36	5, 7	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - Design	$53,916,000
36	5	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - OF 205	$7,664,000
36	4C	South Kingstown, Town of	N	Upper Salt Pond Collection System	$3,100,000
34	5	Narragansett Bay Commission	N	CSO Phase IIIA - Tunnel Pump Station Fit-Out	$131,755,000
34	5	Narragansett Bay Commission	N	CSO Phase IIIA Facilities - OF 210, 213, 214	$62,756,000
33	8, 10	Cranston, City of	N	Community Septic System Loan Program	$500,000
33	10	Narragansett, Town of	N	Community Septic System Loan Program	$300,000
33	11	Narragansett, Town of	Y	Narrow River Water Quality Imprv. Ph IV	$5,970,000
33	8, 10	North Kingstown, Town of	N	Community Septic System Loan Program	$300,000
32	5	Narragansett Bay Commission	N	CSO Phase III B Facilities	$45,505,000
32	5	Narragansett Bay Commission	N	CSO Phase III C Facilities	$290,393,000
32	5	Narragansett Bay Commission	N	CSO Phase III D Facilities	$160,674,000
32	4C	North Smithfield Sewer Dept	N	Phase 2 Sewer Project	$18,000,000
32	4C	North Smithfield Sewer Dept	N	Phase 3 Sewer Project	$15,500,000
32	10	Tiverton, Town of	N	Community Septic System Loan Program	$900,000
31	4C	Burrillville Sewer Commission	N	Nasonville Sewer Expansion	$4,000,000
31	11	Coventry, Town of	N	Stormwater Infrastructure for Tiogue Lake	$300,000
31	4C, 10	North Kingstown, Town of	N	Community Sewer Tie-In Loan Fund Program	$300,000
31	11	Providence, City of	Y	TMDL Implementation	$300,000
30	4C	Warwick Sewer Authority	N	North West Gorton Pond Sewer System	$13,000,000
29	1,12	East Greenwich, Town of	N	Resiliency Upgrade Shortfall	$200,000
29	1	Narragansett Bay Commission	Y	FPWWTF Electrical Improvements	$11,200,000
29	5	Narragansett Bay Commission	N	Woonasquatucket CSO OF-046 Improvements	$3,980,000
29	4C	Smithfield, Town of	N	Richard St & Hazel Point Sewer Extension	$750,000
29	4C	Smithfield, Town of	N	Cortland Ln, Baldwin Dr,etc. Sewer Extension	$1,850,000
29	4C	Smithfield, Town of	N	Austin Ave., Mapleville, etc. Sewer Extension	$2,800,000
29	8	Tiverton, Town of	N	Tiverton Landfill Closure and Capping	$13,500,000
28	4C, 7	Coventry, Town of	N	Design of Facilitites Planning Area #9	$2,220,000
28	4C, 7	Coventry, Town of	N	Design of Facilites Planning Area #8	$1,830,000
28	11	South Kingstown, Town of	N	Phase II Stormwater Program Compliance	$350,000
28	4C	Tiverton Wastewater District	N	Robert Gray Area Phase 2 Sewer Expansion	$9,504,000
28	4C	Tiverton Wastewater District	N	Hooper and Shove Street Sewer Extension	$702,000
27	7,11	Pawtucket, City of	Y	Tidewater Stormwater Park	$7,500,000

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27	4C	Smithfield, Town of	N	Levesque Dr, Jambray Dr, etc. Sewer Extension	$4,500,000
26	11	Johnston, Town of	N	Hrtfrd & Atwood Stormwater - Ph 2 Construct	$3,500,000
26	7, 11	Johnston, Town of	N	Hrtfrd & Atwood Stormwater - Ph 2 Design	$250,000
26	11	Johnston, Town of	N	Hrtfrd & Atwood Stormwater - Ph 1 Construct	$3,500,000
26	7, 11	Johnston, Town of	N	Hrtfrd & Atwood Stormwater - Ph 1 Design	$150,000
26	11	Johnston, Town of	N	Waterman Ave Stormwater Mgmt	$3,500,000
26	11	Johnston, Town of	N	Salina Ave Stormwater Mgmt - Ph 2 Construct	$1,750,000
26	7, 11	Johnston, Town of	N	Salina Ave Stormwater Mgmt - Ph 2 Design	$100,000
26	11	Johnston, Town of	N	Salina Ave Stormwater Mgmt - Ph 1 Construct	$1,000,000
26	7, 11	Johnston, Town of	N	Salina Ave Stormwater Mgmt - Ph 1 Design	$100,000
26	4C, 10	New Shoreham, Town of	N	Community Sewer Tie-In Loan Fund Program	$150,000
26	4C	Smithfield, Town of	N	Fanning Lane (area) Sewer Extension	$3,000,000
26	1	South Kingstown, Town of	N	Regional WWTF Phase II Hydraulic Expansion	$3,600,000
26	2	Westerly, Town of	N	Wastewater Treatment Plant Upgrades	$77,000,000
25	11	Johnston, Town of	Y	LaFazia and River Drive Stormwater Mgmt	$175,000
25	1	Narragansett, Town of	N	Regional WWTF Hydraulic Expansion	$1,966,400
25	8, 10	New Shoreham, Town of	N	Community Septic System Loan Program	$300,000
25	8	New Shoreham, Town of	N	Landfill Revetment	$2,500,000
24	4C	Smithfield, Town of	N	Highview and Hilldale Estates Sewer Extension	$7,000,000
24	4C	Smithfield, Town of	N	Friendship Ln, Domin Ave, etc Sewer Extens.	$1,600,000
23	11	Coventry, Town of	Y	Stormwater Infrastructure for Tiogue Avenue	$200,000
23	10	Little Compton, Town of	N	Community Septic System Loan Program	$200,000
23	11	RI Infrastructure Bank	Y	Stormwater Projects (SPIRe Program) for OSG grant	$1,772,000
23	4C	Smithfield, Town of	N	Green Lake Dr, Ruff Stone Dr Sewer Extension	$1,000,000
22	3B	Cumberland, Town of	N	Ashton&Berkeley Mill Village Sewer Imprvmts	$5,000,000
22	7, 11	Johnston, Town of	N	Crestwood-Linwood-Brookwood -Strmwtr Mgmt	$145,000
22	6, 11	Johnston, Town of	N	SWMPPP Amendments for TMDL Woon. River	$300,000
22	7, 11	Johnston, Town of	N	Belaire Dr- Stormwater Management	$145,000
22	1, 7	Narragansett Bay Commission	N	Biosolids Management Facility Upgrades	$52,990,000
22	1	Narragansett Bay Commission	Y	BPWWTF UV Disinfection Improvements	$25,695,000
22	3B	Narragansett Bay Commission	Y	Saylesville Pumping Station Improvements	$9,269,000
22	4C	Smithfield, Town of	N	Lower Sprague Reservoir etc Sewer Extensions	$5,250,000
21	11	Bristol, Town of	N	Bristol DPW Salt Storage Shed	$5,000,000
21	11	Coventry, Town of	N	Stormwater Infrastructure for Upper Dam Pond	$200,000
21	11	Johnston, Town of	Y	Belfield Dr Floodplain Restor &Stormwater	$2,500,000
21	7, 11	Johnston, Town of	Y	Belfield Dr Floodplain Restor & Strmwt- Design	$250,000
21	1	Narragansett Bay Commission	Y	NBC Solar Carport	$2,795,000
21	3B	Pawtucket, City of	N	Sewer Overflow Mitigation- Pleasant St, Armistice, etc	$5,000,000
21	3B, 5	Providence, City of	N	Sanitary and Combined Sewer Main Rehab	$4,000,000
20	8, 10	Coventry, Town of	N	Community Septic System Loan Program	$250,000
20	4C	Coventry, Town of	N	Coventry High School Sewer Extension	$4,600,000
20	11	East Greenwich, Town of	N	Total Maximum Daily Load Compliance	$230,000
20	7, 11	Johnston, Town of	Y	Waterman Avenue Drainage Improvements	$3,500,000
20	5, 6	Narragansett Bay Commission	N	Fields Pt. Tunnel Pump Station Shaft S1 Inspection	$500,000
20	3A, 7	Narragansett Bay Commission	N	NBC System-wide Inflow Reduction	$1,690,000
20	8, 10	North Smithfield Sewer Dept	N	Septic Tank Financing Assistance (CSSLP)	$850,000
20	11	Pawtucket, City of	Y	TOD Stormwater Management	$10,000,000
20	11	Pawtucket, City of	Y	Daggett Ave Green Infrastructure	$1,500,000
20	11	Pawtucket, City of	Y	Moshassuck River Restoration	$2,000,000
20	3B	Smithfield, Town of	Y	Smithfield Pump Station Resiliency	$1,200,000

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20	3B	Warwick Sewer Authority	Y	Oakland Beach Pump Station Replac.	$8,000,000
19	3B	Middletown, Town of	N	West Side Sewer Diversion	$16,678,000
19	1	Narragansett Bay Commission	N	WWTF Improvements	$1,000,000
19	11	North Kingstown, Town of	Y	Town Beach Stormwater Improvements	$100,000
19	1	Smithfield, Town of	Y	Smithfield WWTF Flood Resiliency	$850,000
19	4B	South Kingstown, Town of	N	Saugatucket Pond	$3,500,000
19	4B	South Kingstown, Town of	N	South Road (Lower) Interceptor	$3,500,000
18	11	Johnston, Town of	N	EPA Agreement- Stormwater Management	$1,750,000
18	1	Narragansett Bay Commission	N	BPWWTF Improvements	$11,709,000
18	1, 6	Narragansett Bay Commission	N	Data Comm Upgrades & WWTF Network Improv.	$18,937,000
18	1	Narragansett Bay Commission	N	FPWWTF Wet Weather Clarifier Facility Improv.	$5,473,000
18	3B, 12	New Shoreham, Town of	Y	Floodproof Ocean Ave. Pump Stations 1 & 2	$1,250,000
18	8	Sherwood Valley Housing	N	Sherwood Valley Housing Cooperative Wastewater	$300,000
18	1	South Kingstown, Town of	N	Regional WWTF Upgrades	$1,100,000
18	1	South Kingstown, Town of	N	Regional WWTF Septage Receiving Facilities	$800,000
18	11, 12	Westerly, Town of	N	Potter Hill Mill-contaminated site remediation	$5,000,000
17	12	Coventry, Town of	N	High School- Measures to Connect to Sewer	$150,000
17	7,11	Johnston, Town of	N	McKinley, et. Stormwater Management-Design	$185,000
17	7,11	Johnston, Town of	N	Susan Ave & Mowry Ave- Stormwater Mgmt.	$145,000
17	3B	Narragansett Bay Commission	N	Lincoln Septage Receiving Station Replacement	$8,219,000
17	1	Narragansett, Town of	N	Regional WWTF Process Upgrade	$1,272,300
17	1	Narragansett, Town of	N	Scarborough WWTF Upgrades	$8,237,000
17	1	Smithfield, Town of	N	WWTF Aerated Grit Removal System	$2,750,000
16	6, 3B	Coventry, Town of	N	Sandy Bottom Pump Station Eval & Imprvmts	$350,000
16	1	Narragansett Bay Commission	N	BPWWTF Service Bldg. Demolition	$3,753,000
16	1	Narragansett Bay Commission	Y	BPWWTF Sludge Digestion Facility Imprvmts.	$14,402,000
16	1	Narragansett Bay Commission	N	FPWWTF Improvements	$35,813,000
16	1	Narragansett Bay Commission	N	FPWWTF Maintenance & Storage Buildings	$29,504,000
16	1	Narragansett Bay Commission	N	Long Range Biosolids Disposal	$3,151,000
16	3B	Narragansett Bay Commission	N	NBC System-Wide Regulator Modifications	$2,271,000
16	1	Narragansett Bay Commission	N	Office & Building Improvements (FPWWTF)	$3,046,000
16	12	Narragansett Bay Commission	N	PFAS Testing and Monitoring **(EC- PFAS)**	$902,000
16	6, 12	Narragansett Bay Commission	N	RIPDES Compliance Improvements **(EC- PFAS)**	$1,944,000
15	8,12	Coventry, Town of	N	Maple Vly Frnklin Rds Stream Habitat Flood Mitgtion	$2,000,000
15	11	East Providence, City of	Y	Seaport District Stormwater	$1,000,000
15	11	East Providence, City of	Y	Citywide Stormwater Improvements	$2,500,000
15	6	Johnston, Town of	N	Shun Pike Avenue Drainage Improvements	$450,000
15	8	North Kingstown, Town of	N	Hamilton Allenton Landfill Closure	$2,000,000
15	11	North Providence, Town of	N	Fruit Hill North Drainage Infrastructure Improvements	$1,200,000
15	3B	North Smithfield Sewer Dept	N	Sewer Pump Station Improvements	$4,000,000
15	10	Scituate, Town of	N	Community Septic System Loan Program	$300,000
15	10	Scituate, Town of	N	Wastewater Management Plan Update&Implement	$75,000
15	4D	South Kingstown, Town of	N	Curtis Corner Road Interceptor	$2,500,000
15	1	West Warwick Sewer Commissio	N	Upgrades to SCADA System	$950,000
15	1	West Warwick Sewer Commissio	N	Ultraviolet Disinfection System Replacement	$2,681,000
14	1	Burrillville Sewer Commission	Y	Renewable Energy	$2,000,000
14	11	Central Falls, City of	N	Higginson Ave Stormwater Management	$500,000
14	11	Cranston, City of	Y	Fenner Pond Water Quality & Flood Mitigation	$3,000,000
14	11	Groundwork RI	N	Stormwater BMPs for West End Compost Hub	$1,300,000
14	3B	Narragansett Bay Commission	N	FPWWTF Ernest St. Pump Station Improvements	$32,062,000

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14	3B	Narragansett Bay Commission	N	NBC System-wide Facilities Planning	$1,768,000
14	6	Narragansett Bay Commission	N	RIPDES Flow Monitoring System Implemt	$1,860,000
14	4C	Smithfield, Town of	N	North Candy Court Sewer Extension	$250,000
14	6	Smithfield, Town of	N	Landfill Closure (Ridge Road)	$6,000,000
14	4C, 4D	Warwick Sewer Authority	N	GAPS - Miscellaneous Sewer Extensions	$2,000,000
13	10	Hillsdale Housing Cooperative	N	Onsite Wastewater Project	$165,000
13	3B, 7	Middletown, Town of	N	Sewer Main Upgrades (Town Line) Vern/Shang	$750,000
13	6	Narragansett Bay Commission	N	Asset Management Program Support Services	$938,000
13	1	Narragansett Bay Commission	N	NBC Facility Electrical Improvements	$599,000
13	3B	Narragansett Bay Commission	N	Reservoir Ave Pump Station Improvements	$5,696,000
13	1	Warwick Sewer Authority	N	North Final Clarifier Drive and Skimmer	$3,000,000
13	1	Warwick Sewer Authority	N	Misc. WWTF Equipment Upgrades and Repairs	$2,500,000
13	1	Warwick Sewer Authority	N	Lakeside Fine Screen	$3,000,000
13	1	Warwick Sewer Authority	N	WWTF Grease Removal System	$2,000,000
13	11	Woonsocket, City of	N	River Island Park Revitalization Stormwater Project	$400,000
12	8	Bristol, Town of	N	Open Space Acquisition-Silver Creek Watershed	$2,000,000
12	1	Burrillville Sewer Commission	N	Miscellaneous WWTF Improvements	$5,000,000
12	3B	Burrillville Sewer Commission	N	Pumping Stations - Improvements / Upgrades	$4,000,000
12	1	Cranston, City of	N	Headworks Building Ventilation Project	$1,500,000
12	8	Cumberland, Town of	N	Westwood Drive Culvert Upgrade- Stream Habitat	$800,000
12	2	East Greenwich, Town of	N	Denitrofication Media Replacement	$1,500,000
12	1	East Providence, City of	N	Aeration Tank/Final Clarifier Rehabilitation	$9,000,000
12	3B, 12	Johnston, Town of	Y	Rotary Drive Pump Station Flood Protection	$290,000
12	11	North Providence, Town of	N	Link/Wendell St Drainage Infrastructure Improv.	$700,000
12	8	Providence, City of	N	Woonasquatucket Riverbank Stabilization/Restore	$2,200,000
12	3B	South Kingstown, Town of	N	Kingston to Silver Lake Interceptor Repair	$1,500,000
12	3B	West Warwick Sewer Commissio	N	Maisie Quinn Interceptor Rehabilitation	$1,576,031
12	1	West Warwick Sewer Commissio	N	General Improvements to the WWTF	$1,500,000
11	11	East Greenwich, Town of	N	Salt Barn Replacement	$1,200,000
11	3B, 6	Narragansett Bay Commission	N	Municipal Lateral Sewer Acquisition Impact	$645,000
11	6	Narragansett Bay Commission	N	Water Quality Model Validation and Evaluation	$163,000
11	1	New Shoreham, Town of	N	Improvements to WWTF	$1,200,000
11	4C	Smithfield, Town of	N	Elmgrove Ave (Sanderson) Sewer Extension	$850,000
11	1	Warwick Sewer Authority	N	Grav. Thcknr. 1&2 Rehab&Odor Ctrl Sys. Repl.	$4,000,000
11	1	Warwick Sewer Authority	N	WWTF Grease Removal System Upgrade	$2,000,000
11	1	Warwick Sewer Authority	N	Biological Nutrient Removal Sys. Imprv.	$11,000,000
11	1	Warwick Sewer Authority	N	Install 3rd Primary Clarifier Tank	$6,500,000
11	1	Warwick Sewer Authority	N	Air Ejector Station Replacements (Stanmore, etc.)	$1,600,000
11	1	Warwick Sewer Authority	N	Imprvts Biosolids Dewatering & Disposal - Phase I	$7,000,000
11	1	Warwick Sewer Authority	N	Improvs to Biosolids Dewatering & Disposal - Phase II	$7,000,000
10	3B	Bristol WPCD	N	Abandon Ferry Rd Pump Sta. & Shorline Intcpt.	$1,400,000
10	11	East Greenwich, Town of	N	UST Removal, AST Installation	$500,000
10	1	Newport, City of	N	Primary Clarifier Improvements	$20,175,000
10	10	Scituate, Town of	N	Townwide Facilities Plan	$150,000
10	3B	West Warwick Sewer Commissio	N	Maisie Quinn Relief Pump Station Rehab.	$1,750,000
10	3B	West Warwick Sewer Commissio	N	42" East Natick Interceptor Rehabiliation	$1,400,000
9	1	Bristol WPCD	N	Miscellaneous WWTF Improvements	$1,100,000
9	1	Burrillville Sewer Commission	N	WWTF Solids Handling Alternatives & Imprvmts.	$6,000,000
9	11	Central Falls, City of	N	Captial Equipment to maintain permeable surface	$15,000
9	6, 3B	Coventry, Town of	N	Woodland Manor Pump Station Eval & Imprvmts	$826,000

Clean Water State Revolving Fund (CWSRF)

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
Office of Water Resources
Fiscal Year 2026 Project Priority List
Final July 8, 2025

Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
9	3B	Coventry, Town of	N	Wastewater Flow Metering Pump Stations	$100,000
9	3B	Cranston, City of	N	System Wide Sewer Repair	$1,000,000
9	1	East Greenwich, Town of	N	WWTF Repair and Upgrades	$8,000,000
9	1	East Greenwich, Town of	N	UV Disinfection System	$2,300,000
9	1,6	East Providence, City of	N	WPCF Asset Evaluation	$750,000
9	1	Jamestown, Town of	N	Jamestown WWTF Improvement Project	$8,500,000
9	3B	Narragansett Bay Commission	N	Omega Pump Station Improvements	$8,965,000
9	3B	Narragansett Bay Commission	N	Washington Highway Pump Station Improvements	$350,000
9	1	Narragansett, Town of	N	Scarborough WWTF Outfall Trench Restore	$2,000,000
9	1	Narragansett, Town of	N	Scarborough WWTF Replace. Generator	$425,000
9	1	Narragansett, Town of	N	Scar. Solids Hand. & Plant Water Upgrds	$850,000
9	3B	New Shoreham, Town of	N	Champlin Mar. Pump Sta. Force Main Rplc.	$150,000
9	3B	Smithfield, Town of	N	Stillwater Interceptor Upgrade Project	$700,000
9	11	Tiverton, Town of	N	Riverside Dr Drainage imprvs & Seawall Repair	$1,300,000
9	3B	Warwick Sewer Authority	N	Warwick Avenue Pump Station Upgrades	$4,000,000
9	3B	Warwick Sewer Authority	N	Emmons Ave Interceptor Rehabilitation	$2,000,000
9	3B	Warwick Sewer Authority	N	Post Rd North Interceptor Rehabilitation	$2,500,000
9	3B	Warwick Sewer Authority	N	Irving Road Pump Station Replacement	$1,500,000
9	3B	Warwick Sewer Authority	N	Bellows Interceptor Rehabilitation	$3,500,000
9	3B	Warwick Sewer Authority	N	Three Ponds Interceptor Rehabilitation Phase I	$3,300,000
9	3B	Warwick Sewer Authority	N	Three Ponds Interceptor Rehabilitation Phase II	$3,300,000
9	3B	Warwick Sewer Authority	N	Three Ponds Interceptor Rehabilitation Phase III	$3,300,000
8	1	Bristol WPCD	N	Misc. Compost Facility Improvements	$4,000,000
8	3B	East Providence, City of	N	Citywide Collection System Improvements	$8,500,000
8	3A,3B	East Providence, City of	N	SSES Phase II & Pump Station Evaluation	$2,250,000
8	4D	Narragansett Bay Commission	N	Interceptor Maintenance Building	$12,503,000
8	7, 11	North Kingstown, Town of	N	Walmsley Lane Stormwater Mitigation Design	$75,000
8	11	Providence, City of	N	York Pond Stormwater Improvements	$2,500,000
8	3B	Providence, City of	N	Elton Street Sewer Main Rehabilitation	$2,200,000
8	3A	Smithfield, Town of	N	Infiltration & In-Flow Removal SSES	$1,500,000
8	3B	Warwick Sewer Authority	N	Warwick Avenue Interceptor	$4,000,000
8	3B	Warwick Sewer Authority	N	Norwood Interceptor Rehabilitation	$3,000,000
8	3B	Warwick Sewer Authority	N	Apponaug Pump Station Upgrade	$4,000,000
8	1	Woonsocket, City of	N	Woonsocket Incineration Facility	$35,000,000
7	11	Bristol-Warren School District	N	Mt. Hope High School Stormwater BMPs	$134,000,000
7	3A	Burrillville Sewer Commission	N	Inflow/Infiltration Investigation & Remediation	$1,000,000
7	3B	Cranston, City of	N	East Pump Station Force Main	$1,500,000
7	3B	East Greenwich, Town of	N	Hunts River Interceptor Slip Lining	$2,000,000
7	3B, 3A	Jamestown, Town of	N	Sewer Collection System Improvement Plan	$2,500,000
7	3B	Jamestown, Town of	N	Wastewater Pump Station Improvements	$3,000,000
7	3B, 6	Johnston, Town of	N	WWTF Facilities Plan update	$300,000
7	3B	Middletown, Town of	N	Browns Lane Pump Station Upgrades	$1,500,000
7	3B	Middletown, Town of	N	Marshall Village Pump Station Replacement	$1,500,000
7	3B	Narragansett, Town of	N	Wastewater Pump Station Upgrades	$545,000
7	7,8	North Kingstown, Town of	N	Forge Rd Dam	$150,000
7	4A, 10	Scituate, Town of	N	Hope Sewer - Feasibility Study	$100,000
7	4A, 10	Scituate, Town of	N	Hope Sewer - Design & Permitting	$500,000
7	3B	Smithfield, Town of	N	Improvements to Towns' Pump Stations	$320,000
7	3B	Tiverton Wastewater District	N	Wastewater Facilities Plan Update	$200,000
7	3B	Warwick Sewer Authority	N	Oakland Beach Force Main Rehabilitation	$5,500,000

Clean Water State Revolving Fund (CWSRF)

RI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
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Points	SRF Category	Applicant Name	GPR	Project Name*	Total Project Est. Cost
7	4A	Westerly, Town of	N	Sewer Tie-In Loan Fund	$250,000
6	3B	Narragansett Bay Commission	N	Improvements to Interceptors FY 2022	$2,254,000
6	3B	Narragansett Bay Commission	N	Interceptor Inspection and Cleaning	$618,000
6	1	Smithfield, Town of	N	WWTF Plant Upgrades - HVAC	$650,000
6	3B	Warwick Sewer Authority	N	Loveday Pump Station Upgrades	$3,000,000
6	3B	Warwick Sewer Authority	N	Loveday Interceptor Rehabilitation	$5,000,000
5	3B	Bristol WPCD	N	Misc. Collection System Improvements	$350,000
5	3B	Central Falls, City of	N	Miscellaneous Collection System Improvements	$500,000
5	11	Cranston, City of	N	System Wide Drainage Repairs	$2,500,000
5	11	Cumberland, Town of	N	Industrial Road Drainage Improvements	$2,200,000
5	4C,6	North Smithfield Sewer Dept	N	Sewer Line Extension RTE 146 - Improve Groundwater &	$20,000,000
5	11, 7	Tiverton, Town of	N	Recycle Center Stormwater Mgmt - Construction	$2,000,000
5	11, 7	Tiverton, Town of	N	Recycle Center Stormwater Mgmt– Design	$75,000
4	8, 12	Bristol, Town of	N	Bristol Harbor Trash Skimmers **(EC- microplastics)**	$250,000
4	3B	Cranston, City of	N	Plainfield Crcl. Pump Station Improvements	$3,200,000
4	3B	East Greenwich, Town of	N	Main St. Sewer Main Slip Lining	$1,500,000
4	3B, 3A	Johnston, Town of	N	Ostend Force Main Replace/Pump Station Remove	$1,000,000
4	3B, 3A	Johnston, Town of	N	Salina Ave Sewer Replacement	$3,200,000
4	3B, 6	Middletown, Town of	N	Sewer Main Replacement on the Boulevard	$860,000
4	3B	Pawtucket, City of	N	Citywide Pump Station Upgrages	$5,000,000
4	3B	Tiverton Wastewater District	N	Carpenter, Blaisdell Sts, etc. Sewer Replace	$831,600
4	3B	Warwick Sewer Authority	N	Posnegansett Pump Station Replacement	$1,000,000
4	3B	Warwick Sewer Authority	N	Lakeshore North Pump Station Replacement	$1,000,000
4	3B	Warwick Sewer Authority	N	Hilton Pump Station	$1,000,000
4	3B	West Warwick Sewer Commissio	N	Glen Drive Pump Station Rehabilitation	$3,000,000
4	11, 6	West Warwick, Town of	N	Industrial Lane Water Quality Improvements	$200,000
3	11	Cranston, City of	N	Culvert Replacement Tomahawk & Iroquois Trail	$800,000
3	6,11	Johnston, Town of	N	MS4 System Mapping & Inspection	$675,000
3	7,11	Johnston, Town of	N	Washington Dr, Lincoln Dr, etc.	$225,000
3	7,11	North Kingstown, Town of	N	Dry Bridge Drainage Investigation	$65,000
3	11	North Providence, Town of	N	Brookfarm Road Drainage Infrastructure Project	$700,000
3	11	North Providence, Town of	N	Brookdale Road Drainage Infrastructure Project	$1,000,000
3	11	North Providence, Town of	N	Lees Farm Drainage Infrastructure Improvements	$1,000,000
3	11	North Providence, Town of	N	St John Circle Drainage Project	$475,050
				Grand Total:	**$2,498,706,381**

*Note: Final determinations of project eligibility or eligible assistance amount will be based upon specific project reviews. In certain cases, only portions of a proposed project may be eligible. Consistent with federal requirements, only those elements of a project that are determined to be eligible can receive financial assistance from the Clean Water State Revolving Fund.

CATEGORY / DEFINITIONS

CATEGORY	NUMBER	DEFINITION
Secondary Treatment	1	Replacement/modifications/additions based on an approved Wastewater Facilities Plan (WWFP) to achieve/maintain secondary treatment
Advanced Treatment	2	Replacement/modifications/additions based on an approved WWFP to achieve/maintain advanced treatment
I/I Correction	3A	Corrective actions in sewer systems identified in an approved I/I Analysis or Sewer System Evaluation Survey
Sewer System Repair	3B	Rehabilitation is extensive repair of existing sewers/pump stations beyond scope of normal maintenance programs. Replacement is construction of parallel sewers/sewers with exact function of sewers to be abandoned. Replacement of pump stations is construction of a new pumping station with the same functions/flow capacity of the old facility. All must be in WWFP
Collectors (Future)	4A	Sewers that will convey flows from future homes, businesses and industries identified in a CCP and approved in a WWFP
Interceptor (Future)	4B	Sewers that will convey flows from one of more Category 4A areas to another interceptor or WWTF
Collectors (Present)	4C	Sewers to convey flows from present homes, businesses, and industries identified in a CCP and approved in a WWFP
Interceptor (Present)	4D	Sewers to convey flows from one of more Category 4C areas to another interceptor WWFP
CSO	5	Combined Sewer treatment/storage/separation per an approved WWFP
Planning	6	Detailed plan determining the need for and feasibility of water pollution abatement project(s)
Design	7	Plans, Specifications, and bidding documents
Non-Point	8	Implementation project per Non-Point Source Plan (SGP # 731)
Estuarine	9	Implementation project per Comprehensive Conservation and Management Plan (SGP # 715)
Onsite Wastewater Treatment Facility (OWTS)	10	Alternative systems, subsurface (OWTS), and Wastewater Management Districts (WWMD) per RIGL 45-24.5
Stormwater	11	Planning & Implementation of municipal stormwater management programs and controls
Other	12	Other water pollution abatement or water quality improvement projects including climate resiliency

CATEGORY / DEFINITIONS

GPR	N/A	Green Project Reserve- project is potentially eligible to be considered a GPR-type of project. A goal of the CWSRF program is to support environmentally-friendly 'green' CWSRF projects with a reserved portion of the available funding.
EC-PFAS, or **EC**-microplastics	12	Emerging Contaminants- substances and microorganisms including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. Including microplastics (particle size <5mm) and Perfluoroalkyl and polyfluoroalkyl substances (PFAS)
Acronyms:	SSES	Sewer System Evaluation Study
	WWTF	Wastewater Treatment Facility
	TMDL	Total Maximum Daily Load (aka Water Quality Restoration Plan)
	I/I	Inflow and Infiltration
	OSG	Sewer overflow and stormwater reuse municipal grant program

B. Table 1 - RIDEM Administrative Costs

Attachment B -Table 1 - Historical RIDEM Adminstrative Costs

	Cap Grant Year	Cap Grant Amount	State Match	DEM 4% Admin.	Used DEM 4% Admin.	Remaining DEM 4% Admin	Banked DEM 4% Admin.	Banked DEM 2% Technical Assistance	Un-Banked DEM 4% Admn. (deallocated)	Remaining Banked DEM 4% Admin.	Grants pledged for specific purpose	State Match Pledged for a Specific Purpose	Cap Grants Available	State Match Available	Total Cap Grant & State Match Available
	CS44000190-0	$13,378,481	$2,675,696	$535,139.24	$551,880.00	-$16,740.76					$13,378,481.00	$2,675,696.20	$0.00	$0.00	$0.00
	CS44000191-0, 2	$26,826,822	$5,365,364	$1,073,072.88	$1,056,332.12	$16,740.76					$26,826,822.00	$5,365,379.00	$0.00	-$14.60	-$14.60
	CS44000193	$12,905,937	$2,581,187	$516,237.48	$516,237.48	$0.00					$12,905,937.00	$2,581,187.40	$0.00	$0.00	$0.00
	CS44000194	$7,988,800	$1,597,760	$319,552.00	$319,552.00	$0.00					$7,988,800.00	$1,597,760.00	$0.00	$0.00	$0.00
	CS44000195	$8,254,100	$1,650,820	$330,164.00	$330,164.00	$0.00					$8,254,100.00	$1,650,820.00	$0.00	$0.00	$0.00
	CS44000196	$13,547,500	$2,709,500	$541,900.00	$541,900.00	$0.00					$13,547,500.00	$2,709,500.00	$0.00	$0.00	$0.00
	CS44000197	$4,127,100	$825,420	$165,084.00	$165,084.00	$0.00					$4,127,100.00	$825,420.00	$0.00	$0.00	$0.00
	CS44000198	$9,033,100	$1,806,620	$361,324.00			$361,324.00		$361,324.00	$0.00	$9,033,100.00	$1,806,620.00	$0.00	$0.00	$0.00
	CS44000199	$9,033,800	$1,806,760	$361,352.00			$361,352.00		$361,352.00	$0.00	$9,033,800.00	$1,806,760.00	$0.00	$0.00	$0.00
	CS44000100	$9,002,900	$1,800,580	$360,116.00			$360,116.00		$360,116.00	$0.00	$9,002,900.00	$1,800,580.00	$0.00	$0.00	$0.00
	CS44000101	$8,921,900	$1,784,380	$356,876.00			$356,876.00		$356,876.00	$0.00	$8,921,900.00	$1,784,380.00	$0.00	$0.00	$0.00
	CS44000102	$8,942,000	$1,788,400	$357,680.00			$357,680.00		$357,680.00	$0.00	$8,942,000.00	$1,788,400.00	$0.00	$0.00	$0.00
	CS44000103	$8,883,300	$1,776,660	$355,332.00			$355,332.00		$355,332.00	$0.00	$8,883,300.00	$1,776,660.00	$0.00	$0.00	$0.00
	CS44000104	$8,888,700	$1,777,740	$355,548.00			$355,548.00		$239,175.60	$116,372.40	$8,888,700.00	$1,777,740.00	$0.00	$0.00	$0.00
	CS44000105	$7,208,600	$1,441,720	$288,344.00			$288,344.00			$288,344.00	$7,208,600.00	$1,441,720.00	$0.00	$0.00	$0.00
	CS44000106	$5,839,300	$1,167,860	$233,572.00	$233,572.00	$0.00					$5,839,300.00	$1,167,860.00	$0.00	$0.00	$0.00
	CS44000107	$7,159,200	$1,431,840	$286,368.00	$286,368.00	$0.00					$7,159,200.00	$1,431,840.00	$0.00	$0.00	$0.00
	CS44000108	$4,515,300	$903,060	$180,612.00	$180,612.00	$0.00					$4,515,300.00	$903,060.00	$0.00	$0.00	$0.00
	2W44000209	$26,314,600	$0	$1,052,584.00			$1,052,584.00			$1,052,584.00	$26,314,600.00	$0.00	$0.00	$0.00	$0.00
	CS44000109	$4,515,300	$903,060	$180,612.00	$180,612.00	$0.00					$4,515,300.00	$903,060.00	$0.00	$0.00	$0.00
	CS44000110	$13,681,000	$2,736,200	$547,240.00	$547,240.00	$0.00					$13,681,000.00	$2,736,200.00	$0.00	$0.00	$0.00
	CS44000111	$9,915,000	$1,983,000	$396,600.00	$396,600.00	$0.00					$9,915,000.00	$1,983,000.00	$0.00	$0.00	$0.00
	CS44000112	$9,486,000	$1,897,200	$379,440.00	$379,440.00	$0.00					$9,486,000.00	$1,897,200.00	$0.00	$0.00	$0.00
	CS44000113	$8,955,000	$1,791,000	$358,200.00	$358,200.00	$0.00					$8,955,000.00	$1,791,000.00	$0.00	$0.00	$0.00
Received 8/26/14-->	CS44000114	$9,410,000	$1,882,000	$376,400.00	$376,400.00	$0.00					$9,410,000.00	$1,882,000.00	$0.00	$0.00	$0.00
Received 8/31/15-->	CS44000115	$9,361,000	$1,872,200	$374,440.00	$374,440.00	$0.00					$9,361,000.00	$1,872,200.00	$0.00	$0.00	$0.00
Received 9/06/16-->	CS44000116	$8,962,000	$1,792,400	$358,480.00	$358,480.00	$0.00					$8,962,000.00	$1,792,400.00	$0.00	$0.00	$0.00
Received 9/01/17-->	CS44000117	$8,892,000	$1,778,400	$355,680.00	$355,680.00	$0.00					$8,892,000.00	$1,778,400.00	$0.00	$0.00	$0.00
Received 8/14/18-->	CS44000118	$10,777,000	$2,155,400	$431,080.00	$431,080.00	$0.00					$10,777,000.00	$2,155,400.00	$0.00	$0.00	$0.00
Received 8/08/19-->	CS44000119*	$10,669,000	$2,133,800	$426,760.00	$426,760.00	$0.00					$3,404,050.00	$2,133,800.00	$0.00	$0.00	$0.00
Received 08/07/20->	CS44000120	$10,670,000	$2,134,000	$426,800.00	$426,800.00	$0.00					$10,670,000.00	$2,134,000.00	$0.00	$0.00	$0.00
Received 09/16/21->	CS44000121	$10,669,000	$2,133,800	$426,760	$426,760	$0.00					$10,096,405.00	$2,133,800.00	$572,595.00	$0.00	$572,595.00
Received 08/18/22->	CS44000122	$7,770,000	$1,554,000	$310,800	$310,800	$0.00		$155,400.00					$7,770,000.00	$0.00	$7,770,000.00
Received 09/1/22->	4C44000222	$11,950,000	$1,195,000	$478,000.00	$0.00	$478,000.00		$239,000.00					$11,950,000.00	$0.00	$11,950,000.00
Received 09/1/22->	4X44000322	$628,000	$0		$0.00	$0.00	$25,120.00	$12,560.00					$628,000.00	$0.00	$628,000.00
Received 09/18/24->	4X44000322	$13,000	$0	$0.00	$0.00	$0.00		$0.00					$13,000.00		

	Cap Grant Year	Cap Grant Amount	State Match	DEM 4% Admin.	Used DEM 4% Admin.	Remaining DEM 4% Admin	Banked DEM 4% Admin.	Banked DEM 2% Technical Assistance	Un-Banked DEM 4% Admn. (deallocated)	Remaining Banked DEM 4% Admin.	Grants pledged for specific purpose	State Match Pledged for a Specific Purpose	Cap Grants Available	State Match Available	Total Cap Grant & State Match Available
Received 08/4/23->	CS44000123	$5,037,000	$1,007,400	$201,480.00	$130,148.14	$71,331.86		$100,740.00					$5,037,000.00	$0.00	$5,037,000.00
Received 08/4/23->	4C44000223	$13,996,000	$1,399,600	$559,840.00	$0.00	$559,840.00		$279,920.00					$13,996,000.00	$0.00	$13,996,000.00
Received 09/18/24->	CS44000124	$5,482,000	$1,096,400	$219,280.00	$0.00	$219,280.00		$109,640.00					$5,482,000.00	$0.00	$5,482,000.00
Received 09/18/24->	4C44000224	$15,270,000	$3,054,000	$610,800.00	$0.00	$610,800.00		$305,400.00					$15,270,000.00	$0.00	$15,270,000.00
Received 09/18/24->	4X44000323	$1,428,000	$0	$57,120.00	$0.00	$57,120.00		$28,560.00					$1,428,000.00	$0.00	$1,428,000.00
	FFY25 Base	$10,653,000	$2,130,600	$391,837	$0.00	$391,837	$34,283	$213,060.00		$34,283.00			$10,653,000.00	$2,130,600.00	$12,783,600.00
	FFY25 General Supplemental	$16,541,000	$3,308,200	$403,901	$0.00	$403,901	$257,739	$330,820.00		$257,739.00			$16,541,000.00	$3,308,200.00	$19,849,200.00
	FFY24 Emerging Contaminants	$1,428,000	$0	$0.00	$0.00	$0.00	$57,120.00	$28,560.00		$57,120.00			$1,428,000.00	$0.00	$1,428,000.00
	TOTALS	**$416,929,740**	**$74,829,028**	**$16,302,408**	**$9,661,142**	**$2,792,110**	**$4,223,418**	**$1,648,260**	**$2,391,856**	**$1,806,442**	**$318,896,195**	**$60,083,843**	**$90,768,595**	**$5,438,785**	**$94,766,380**

*The "Cap Grants Available" for the asterisked includes $7,264,950 transfer from the CWSRF to the DWSRF
*Data as of 5/31/2025

C. Table 2 – Project Funding List

Attachment C - Table 2 - Projected Funding List

RIPDES #	Points	SRF Category	Applicant Name	GPR	Applicant meets Afordability Critera	Project Name*	Total PPL Project Est. Cost	SFY25 Project Cost ($)	**Funded w/Available FFY25 Base Cap Grant	**Funded w/Available FFY25 Base State Match ($)	**Funded w/Available FFY25 Supplemental Cap Grant	**Funded w/Available FFY25 Supplemental State Match ($)	**Funded w/Repayment and/or Leveraged Funds ($)
RI0100315	16	6, 12	Narragansett Bay Commission	N	Y	RIPDES Compliance Improvements (EC - PFAS)	$ 1,944,000	$ 503,989	$ -	$ -	$ -	$ -	$ 503,989
RI0100315	18	1,6	Narragansett Bay Commission	N	Y	Data Communications Upgrades and WWTF Network Improvements	$ 18,937,000	$ 62,573	$ -	$ -	$ -	$ -	$ 62,573
RI0100315	18	1	Narragansett Bay Commission	N	Y	FPWWTF Wet Weather Clarifier Facility Improvements	$ 5,473,000	$ 180,933	$ -	$ -	$ -	$ -	$ 180,933
RI0100315	13	1	Narragansett Bay Commission	N	Y	NBC Facility Electrical Improvements	$ 599,000	$ 52,094	$ -	$ -	$ -	$ -	$ 52,094
RI0100315	16	1	Narragansett Bay Commission	N	Y	BPWWTF Service Building Demolition	$ 3,753,000	$ 6,487	$ -	$ -	$ -	$ -	$ 6,487
RI0100315	16	1	Narragansett Bay Commission	Y	Y	BPWWTF Sludge Digestion Facility Improvements*	$ 14,402,000	$ 1,637,645	$ -	$ -	$ 755,002	$ -	$ 882,643
RI0100315	22	1	Narragansett Bay Commission	Y	Y	BPWWTF UV Disinfection Improvements	$ 25,695,000	$ 45,407	$ -	$ -	$ -	$ -	$ 45,407
RI0100315	18	1	Narragansett Bay Commission	N	Y	BPWWTF Improvements	$ 11,709,000	$ 487,611	$ -	$ -	$ -	$ -	$ 487,611
RI0100315	16	1	Narragansett Bay Commission	N	Y	FPWWTF Improvements	$ 35,813,000	$ 125,446	$ -	$ -	$ -	$ -	$ 125,446
RI0100315	14	3B	Narragansett Bay Commission	N	Y	FPWWTF Ernest Street Pump Station Improvements	$ 32,062,000	$ 80,237	$ -	$ -	$ -	$ -	$ 80,237
RI0100315	16	1	Narragansett Bay Commission	N	Y	FPWWTF Maintenance and Storage Buildings	$ 29,504,000	$ 144,706	$ -	$ -	$ -	$ -	$ 144,706
RI0100315	29	1	Narragansett Bay Commission	Y	Y	FPWWTF Electrical Improvements	$ 11,200,000	$ 49,799	$ -	$ -	$ -	$ -	$ 49,799
RI0100315	17	3B	Narragansett Bay Commission	N	Y	Lincoln Septage Receiving Station Replacement	$ 8,219,000	$ 341,307	$ -	$ -	$ -	$ -	$ 341,307
RI0100315	36	5,7	Narragansett Bay Commission	N	Y	CSO Phase III A Facilities - Design	$ 53,916,000	$ 1,836,772	$ -	$ -	$ -	$ -	$ 1,836,772
RI0100315	36	5	Narragansett Bay Commission	N	Y	CSO Phase III A Fac. - Construction Program	$ 43,814,000	$ 1,836,772	$ -	$ -	$ -	$ -	$ 1,836,772
RI0100315	36	5	Narragansett Bay Commission	N	Y	CSO Phase III A Fac. - Pawt. Tunnel and Pump Station Shaft	$ 485,692,000	$ 265,162	$ -	$ -	$ -	$ -	$ 265,162
RI0100315	34	5	Narragansett Bay Commission	N	Y	CSO Phase III A Fac. - Tunnel Pump Station Fit-out	$ 131,755,000	$ 15,059,438	$ -	$ -	$ 14,886,900	$ -	$ 172,538
RI0100315	36	5	Narragansett Bay Commission	N	Y	CSO Phase III A Facilities - OF 205	$ 7,664,000	$ 9,980	$ -	$ -	$ -	$ -	$ 9,980
RI0100315	34	5	Narragansett Bay Commission	N	Y	CSO Phase III A Facilities - OF 210, 213, 214	$ 62,756,000	$ 12,128,886	$ -	$ 2,130,600	$ -	$ 3,308,200	$ 6,690,086
RI0100315	36	5	Narragansett Bay Commission	Y	Y	CSO Phase III A Fac. - BPWWTF Clarifiers and Flow Splitters*	$ 60,722,000	$ 1,964,398	$ 1,065,300	$ -	$ 899,098	$ -	$ -
RI0100315	16	3B	Narragansett Bay Commission	N	Y	NBC System-wide Regulator Modifications	$ 2,271,000	$ 4,990	$ -	$ -	$ -	$ -	$ 4,990
RI0100315	9	3B	Narragansett Bay Commission	N	Y	Omega Pump Station Improvements	$ 8,965,000	$ 505,075	$ -	$ -	$ -	$ -	$ 505,075
RI0100315	13	3B	Narragansett Bay Commission	N	Y	Reservoir Avenue Pump Station Improvements	$ 5,696,000	$ 459,068	$ -	$ -	$ -	$ -	$ 459,068
RI0100315	21	1	Narragansett Bay Commission	Y	Y	NBC Solar Carport	$ 2,795,000	$ 24,351	$ -	$ -	$ -	$ -	$ 24,351
RI0100315	22	1,7	Narragansett Bay Commission	N	Y	Biosolids Management Facility Upgrades	$ 52,990,000	$ 11,928,851	$ 9,587,700	$ -	$ -	$ -	$ 2,341,151
RI0100315	22	3B	Narragansett Bay Commission	Y	Y	Saylesville Pumping Station Improvements	$ 9,269,000	$ 558,023	$ -	$ -	$ -	$ -	$ 558,023
RI0100315	20	5,6	Narragansett Bay Commission	N	Y	Field's Point Tunnel Pump Service Shaft S1 Inspection	$ 500,000	$ 100,000	$ -	$ -	$ -	$ -	$ 100,000
RI0100234	7	3B	Warwick Sewer Authority	N	Y	Oakland Beach Force Main Rehabilitation	$ 5,500,000	$ 4,060,000	$ -	$ -	$ -	$ -	$ 4,060,000
RI0100234	20	3B	Warwick Sewer Authority	Y	Y	Oakland Beach Pump Station Replacement	$ 8,000,000	$ 5,600,000	$ -	$ -	$ -	$ -	$ 5,600,000
RI0100153	10	3B	Town of West Warwick	N	Y	42" East Natick Interceptor Rehabilitation	$ 1,400,000	$ 1,454,550	$ -	$ -	$ -	$ -	$ 1,454,550
RI0100153	10	3B	Town of West Warwick	N	Y	Maisie Quinn Relief Pump Station Rehab.	$ 1,750,000	$ 1,709,400	$ -	$ -	$ -	$ -	$ 1,709,400
						Grand Total:	**$ 1,144,765,000**	**$ 63,223,950**	**$ 10,653,000**	**$ 2,130,600**	**$ 16,541,000**	**$ 3,308,200**	**$ 30,591,150**

*BPWWTF Sludge Digestion Facility Improvements qualifies for GPR for including improvements that address renewable energy generation (biogas).

*BPWWTF UV Disinfection Improvements Project qualifies for GPR for including energy efficiency improvements, meeting a minimum of 20% reduction in total energy usage.

Projects Intended to Meet Green Project Reserve (GPR) Requirement for Base and Supplemental Cap Grant Awards are Highlighted in Green

RIPDES Compliance Improvements (EC - PFAS): $400,000 of the $503,989 in estimated project costs is intented for FFY2024 Emerging Contaminants (EC) Funding

D. Sources and Uses Table

Attachment D

CWSRF Sources and Uses Table

Sources		
FFY25 Base Cap Grant	$	10,653,000
RIDEM Admin	$	(426,120)
Total Project Fund	**$**	**10,226,880**
FFY25 General Supplemental Grant	$	16,541,000
RIDEM Admin	$	(661,640)
Total Project Fund	$	15,879,360
FFY24 Emerging Contaminants Grant	$	1,428,000
Total Project Fund	$	1,428,000
State Match for FFY2025 Base	$	2,130,600
State Match for FFY2025 General Supplemental	$	3,308,200
Total State Match for FFY25	**$**	**5,438,800**
FFY2022 Emerging Contaminants Grant - Project Fund	$	628,000
FFY2022 -Realloted Emerging Contaminants Grant - Project Fund	$	13,000
FFY2023 Emerging Contaminants Grant - Project Fund	$	1,370,880
FFY2024 Base Cap Grant -Project Fund	$	2,544,437
FFY2024 General Supplemental - Project Fund	$	6,342,889
FFY2023 Base Cap Grant -Project Fund	$	-
FFY2022 General Supplemental - Project Fund	$	-
FFY2023 General Supplemental - Project Fund	$	-
Total Available Cap Grant Funds	**$**	**10,899,206**
State Match Revolved	$	9,883,627
State Match (to be allocated to future Cap Grants)	$	13,703,110
Total Available State Match Funds	**$**	**23,586,737**
Federal Revolved		19,588,087
Revenue Fund Release		-
Bond Proceeds	$	71,880,000
Total Available Funds		**91,468,087**
Drinking Water transfer of fund		-
Total Sources of Funds	**$**	**158,927,070**

Uses		
Obligated Loans	$	95,000,000
Anticipated Loan Commitments SFY26	$	63,223,950
Total Uses of Funds	**$**	**158,223,950**

Revised 7/17/2025

E. Payment Schedule for ACH

Attachment E

CWSRF -Payment Schedule for ACH

FFY2025 Base Capitalization Grant

Federal Fiscal Year Quarter	Dates	Grant Award Amount	Grant Payment Amount (ACH)	Binding Commitment
FFY-2025-4	July 1, 2024 – Sept 30, 2024			
FFY-2026-1	Oct 1, 2025 – Dec 31, 2025	$ 10,653,000		
FFY-2026-2	Jan 1, 2026 – March 31, 2026		$ 391,837	
FFY-2026-3	Apr 1, 2026 – June 30, 2026		$ 10,261,163	

FFY2025 IIJA General Supplemental Capitalization Grant

Federal Fiscal Year Quarter	Dates	Grant Award Amount	Grant Payment Amount (ACH)	Binding Commitment
FFY-2025-4	July 1, 2024 – Sept 30, 2024			
FFY-2026-1	Oct 1, 2025 – Dec 31, 2025	$ 16,541,000		
FFY-2026-2	Jan 1, 2026 – March 31, 2026		$ 403,901	
FFY-2026-3	Apr 1, 2026 – June 30, 2026		$ 8,032,009	
FFY-2026-4	July 1, 2026 – Sept 30, 2026		$ 4,052,545	
FFY-2027-1	Oct 1, 2026 – Dec 31, 2026		$ 4,052,545	
FFY-2027-2	Jan 1, 2027 – March 31, 2027			

Attachment E

CWSRF -Payment Schedule for ACH

FFY2024 IIJA Emerging Contaminants Capitalization Grant

Federal Fiscal Year Quarter	Dates	Grant Award Amount	Grant Payment Amount (ACH)	Binding Commitment
FFY-2025-4	July 1, 2024 – Sept 30, 2024			
FFY-2026-1	Oct 1, 2025 – Dec 31, 2025	$ 1,428,000		
FFY-2026-2	Jan 1, 2026 – March 31, 2026			
FFY-2026-3	Apr 1, 2026 – June 30, 2026			
FFY-2026-4	July 1, 2026 – Sept 30, 2026		$ 714,000	
FFY-2027-1	Oct 1, 2026 – Dec 31, 2026		$ 714,000	
FFY-2027-2	Jan 1, 2027 – March 31, 2027			

F. Attorney General Certification

STATE OF RHODE ISLAND
OFFICE OF THE ATTORNEY GENERAL

150 South Main Street • Providence, RI 02903
(401) 274-4400 • www.riag.ri.gov

Peter F. Neronha
Attorney General

March 22, 2025

Karen McGuire
Acting Regional EPA Administrator
Environmental Protection Agency
5 Post Office Square - Suite 100
Boston, MA 02109-3912

RE: CERTIFICATION LETTER REGARDING FEDERAL FISCAL YEAR 2025 RHODE ISLAND INFRASTRUCTURE BANK'S (FORMERLY CLEAN WATER FINANCE AGENCY) CLEAN WATER STATE REVOLVING FUND CAPITALIZATION GRANT APPLICATION

Dear Acting Regional Administrator McGuire:

I am writing this letter pursuant to the requirement contained in 40 CFR § 35.3110(d)(2) which requires the Attorney General certify that the provisions establishing the state revolving loan fund (the "SRF"), and the powers that such provisions confer, are consistent with state law and that the state may legally bind itself to the terms of the capitalization grant agreement.

Further, the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law, (hereinafter "BIL") requires that I similarly certify that the Agency meets the requirements to receive the supplemental funding made available through the BIL. BIL, Pub. L. No. 117-58, § 135 Stat. 429, 1399, 1401 (Nov. 15, 2021). The General Supplemental Funding and Emerging Contaminants Funding provided for in the BIL are awarded in the form of "capitalization grants for the Clean water State Revolving Funds under title VI of the Federal Water Pollution Control Act[, ('The Clean Water Act', 33 U.S.C. § 1381, *et seq*.)." *Id.* The BIL requires that the Attorney General certify the aforementioned requirements contained in 40 CFR § 35.3110(d)(2). *See* Radhika Fox, *Implementation of the Clean Water and Drinking Water State Revolving Fund Provisions of the Bipartisan Infrastructure Law*, page 13, Environmental Protection Agency Office of Water (Mar. 8, 2022), https://www.epa.gov/system/files/documents/2022-03/combined_srf-implementation-memo_final_03.2022.pdf.

Such certification is required for the Rhode Island Infrastructure Bank to receive federal capitalization grants pursuant to Title VI of the Clean Water Act. *See* 40 CFR § 35.3110 (d) (2); BIL, Pub. L. No. 117-58, § 135 Stat. 429, 1399, 1401 (Nov. 15, 2021). In accordance with those requirements, please be advised as follows:

Legislation authorizing the establishment of a state SRF was adopted at the 1989 session of the Rhode Island General Assembly and is codified as Chapter 12.2 of Title 46 of the General Laws of Rhode Island, as amended. Rhode Island General Laws ("R.I. Gen Laws") § 46-12.2-3 establishes the Rhode Island Infrastructure Bank ("the Agency") as a "body politic and corporate and public instrumentality of the state," and provides that the exercise by the Agency of the powers conferred by R.I. Gen Laws § 46-12.2 "shall be deemed to be the performance of an essential public function." R.I. Gen Laws § 46-12.2-4 (a)(12) grants to the Agency the power to enter into contracts and agreements which "may include without limitation … capitalization grant agreements, intended use plans, operating plans and other agreements and instruments contemplated by Title VI of the Clean Water Act, 33 U.S.C. § 1381, *et seq*." R.I. Gen Laws § 46- 12.2-6(a) designates the Agency as "the instrumentality of the state for the administration" of the SRF in providing as follows:

> (a) The [A]gency shall be the instrumentality of the state for administration of the water pollution control revolving fund… and in conjunction with the department [Rhode Island Department of Environmental Management] is empowered to and shall take all action necessary or appropriate to secure to the state the benefits of Title VI of The Clean Water Act, 33 U.S.C. § 1381, *et seq*…. Without limiting the generality of the foregoing and other powers of the agency provided in this Chapter, the agency is empowered to and shall:
>
> (1) Cooperate with appropriate federal agencies in all matters relating to administration of the water pollution control revolving fund and, pursuant to the provisions of this Chapter, administer the fund… (3) In cooperation with the department [Rhode Island Department of Environmental management], prepare and submit to appropriate federal agencies applications for capitalization grants under Title VI of the Clean Water Act, 33 U.S.C. § 1381, et seq. and enter into capitalization grant agreements, operating agreements and other agreements with appropriate federal and state agencies and accept and disburse as provided herein any capitalization grant awards made under Title VI of the Clean Water Act….

"Water pollution control revolving fund" is defined as "the water pollution control revolving fund contemplated by Title VI of the Water Quality Act and established under § 46-12.2-6." R.I. Gen Laws § 46-12.2-2(31).

R.I. Gen Laws § 46-12.2-1 through § 46-12.2-27 are valid state laws. Further, R.I. Gen Laws § 46-12.2-25 specifically provides that "insofar as the provisions of this chapter are inconsistent with the provisions of any general or special law, municipal charter, administrative order or regulations, the provision of this chapter shall be controlling."

In view of the foregoing, as Attorney General of the State of Rhode Island, I certify that the state legislation establishing the SRF and the powers it confers are consistent with state law and that the state may legally bind itself to the terms of the capitalization grant agreement contemplated by Title VI of the Clean Water Act and the BIL.

The Rhode Island Infrastructure Bank is fully authorized to conduct business in accordance with Chapters 46-12.2 of the Rhode Island General Laws.

Sincerely,

Peter F. Neronha
Attorney General

cc: William Fazioli
Executive Director and Chief Executive Officer, RIIB

G. RI Infrastructure Bank and RIDEM Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

between the

State of Rhode Island and Providence Plantations
Department of Environmental Management
Office of Water Resources
235 Promenade Street
Providence, Rhode Island 02908

and

Rhode Island Infrastructure Bank
235 Promenade Street, Suite 119
Providence, Rhode Island 02908

For the Purpose of

Administration of the Clean Water State Revolving Fund

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I. Preamble

This Memorandum of Understanding ("MOU") is made and entered into by and between Rhode Island Infrastructure Bank ("Bank"), a quasi-public agency of the State of Rhode Island, located at 235 Promenade Street, Suite 119, Providence, Rhode Island 02908 and the State of Rhode Island, Department of Environmental Management, Office of Water Resources ("DEM"), located at 235 Promenade Street, Rhode Island 02908 (each individually a "Party" and collectively as "Parties").

WHEREAS, DEM and the Bank are committed to effective and efficient administration of the Clean Water State Revolving Fund ("CWSRF").

WHEREAS, this MOU covers the major operational aspects of the CWSRF and will serve as the basis for mutual understanding of the basic mechanisms, responsibilities, duties, and processes of the Parties for evaluating, implementing, managing and revising the CWSRF.

NOW THEREFORE, for and in consideration of the mutual promises and benefits contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, DEM and the Bank enter into this MOU, on the terms and conditions contained herein.

II. Term

The term of the MOU shall be five years. All provisions of this MOU remain in effect until such time as this MOU is amended or a new MOU is formally executed by the Parties.

III. Background

The Federal 1987 Water Quality Act amended the Federal Water Pollution Control Act ("Clean Water Act") to end the Title II Construction Grants Program which provided grants to local governmental units for eligible water pollution abatement projects. The act established a new Title VI State Revolving Loan Fund ("SRF") program which provides capitalization grants to states as "seed" money to establish revolving loan funds to provide a perpetual source of capital to finance water pollution control projects at below market rates.

The State of Rhode Island (the "State") determined that utilizing a finance agency with revenue bonding authority was the most effective method of maximizing the federal loan dollars available for water pollution abatement projects, establishing what is now called Rhode Island Infrastructure Bank in 1989. DEM has the statutory and regulatory authority for review and approval of systems or means to prevent water pollution, and to determine which projects are eligible to be financed by the Bank through the CWSRF.

IV. Purpose

The purpose of this MOU is to set forth the functional roles and responsibilities of both the Bank and DEM in administering the CWSRF. This MOU provides a framework which defines the roles of the Bank and DEM in managing the CWSRF and serve as a basis for coordinated action between the Parties in the prioritizing, issuing, servicing, and accounting for loans under the CWSRF. The agreement herein is for the purpose of, and shall be read in conjunction with, RIGL 46-12.2-1 et. seq. In the event of any conflict, the general laws and regulations promulgated thereunder shall prevail.

V. Responsibilities

It is mutually understood that close coordination between the Parties is necessary to efficiently and effectively administer the CWSRF for the State. The breakdown of responsibilities in this section is to designate the lead Party responsible for producing/issuing the various items, but it is understood that items will be coordinated with the non-lead Party. Items which must be developed jointly are also listed.

Bank Lead

1. Maintaining compliance with all federal and state fund management requirements.
2. Determining the lending policies of the CWSRF funds.
3. Determining the short- and long-term investment policy of the CWSRF funds.
4. Preparing all required financial reports including those required by:
    a. US Treasury/Internal Revenue Service
    b. Environmental Protection Agency
    c. State of Rhode Island/Auditor General's Office
    d. Other regulatory agencies as appropriate
5. Conducting all applicant financial review, borrower analysis, loan approval, and servicing functions related to CWSRF. The Bank will negotiate loan terms with applicants which have received, or will receive, Certificates of Approval for projects. Loan terms will cover interest rate, loan repayments, loan security, sources of revenue, and such other items as the Bank deems necessary to protect the long-term viability of the CWSRF.
6. Developing all loan issuing and servicing policies and procedures. The Bank shall be responsible for processing all loan disbursement requests in accordance with the loan agreements negotiated with the applicant. Through its loan management solution ("EnABLE"), the Bank is responsible for ensuring that DEM receives a copy of all

such requests for disbursement and DEM agrees to review such requests and provide, with its best efforts, objections or approval within five (5) business days.

7. Invoicing, collecting, and accounting for fees, charges, and loan repayments.
8. Submitting capitalization grant applications to EPA.

DEM Lead

1. Reviewing and approving all state and federal environmental and technical requirements for projects funded by the CWSRF, including but not limited to, the determination of the requirement for and sufficiency of Fiscal Sustainability Plans and Cost and Effectiveness Certifications required by EPA for certain projects funded by the CWSRF.
2. Issuing Certificates of Approval for projects eligible for funding from the CWSRF Program. The Certificate of Approval will be issued by DEM when all environmental, technical, and regulatory approval requirements for the project have been met. The Certificate of Approval will denote the specific project, the total estimated costs of the project, the useful life (where applicable), and will identify any portions of the project which are not eligible for SRF funding.
3. Developing and maintaining the Priority Determination System and producing on a periodic basis, but not less than annually, the Project Priority List.
4. Insuring project compliance with all CWSRF program conditions of approval and project implementation requirements. Independent of the Bank disbursement processing, DEM will be responsible for determining that the applicant has completed the work for which the Certificate of Approval was issued, that the work meets all conditions of approval, that project budgets were met, that no ineligible expenses were submitted for payment, and that the project meets all applicable CWSRF program regulatory requirements.
5. Prior to processing of final disbursement requests by the Bank, DEM shall ensure substantial completion or initiation of operation (for construction projects), or delivery of final planning and design documents.
6. DEM will inform the Bank in writing of a borrower's failure to correct, or noncompliance with, conditions of approval of the project or program requirements. Once notified, the Parties will take all necessary and appropriate actions, as described in Chapter 46-12.2 of the General Laws of Rhode Island of 1956, as amended, DEM's Rules and Regulations for the SRF Program (250-RICR-150-20-1), the Bank's Clean Water State Revolving Fund Loan Policies and Procedures (830-RICR-10-15-1), and the loan agreements and Certificate of Approval for the project to restore compliance.

Joint Effort

1. Developing the annual Intended Use Plan and capitalization grant application.
2. Preparing the CWSRF Program Annual Report.
3. Developing a comprehensive marketing plan to further awareness and promote utilization of the CWSRF.
4. Developing, executing, and amending the Operating Agreement with EPA.
5. Determining eligibility requirements for CWSRF projects and borrowers.
6. Insuring appropriate tracking and inspections for disbursements to and closeout of the projects.
7. Proposing changes to the program based on experience and changing market conditions.
8. Preparing enforcement procedures to be utilized by DEM and the Bank for failure to comply with CWSRF program requirements.
9. Collection and uploading of loan and project data (e.g., funded by Capitalization grants, NIMS, FFATA, et al.) into various state and federal databases.

VI. Administrative Costs

The Bank shall be responsible for the payment of all administrative costs. Funds allotted under Section 603(d)(7) of the federal Clean Water Act shall be transferred to DEM to defray its administrative expenses. Unless specifically prohibited by law, all other sources of revenues generated through the management of the CWSRF may be used by the Bank to support administrative costs. Administrative expenditures incurred by DEM through its duties in the CWSRF which are needed which are more than those funds allotted under Section 603(d)(7) shall be borne by the Rhode Island Water Pollution Control Revolving Fund and from any other monies available.

The Bank shall notify DEM when the accumulated administrative set aside balance under Section 603(d)(7), including any reserved authority, falls below $500,000. Within sixty (60) days of receiving the Bank's notice, DEM shall develop a plan to reduce its administrative expenses or provide a formal notification that other funds, as described in the preceding paragraph will be required. DEM shall provide all related documents requested by the Bank and/or EPA to support such request.

The payment of administrative expenses based upon the previous years' distribution shall not be delayed in the event of a dispute between the Parties (see Paragraph 11 - Disputes).

VII. Authorized Representatives

The following positions are hereby designated the responsible officials for their respective organizations. A plan to

Additionally, unless specifically stated elsewhere, whenever notification shall be required under this MOU, such written notification shall be deemed sufficient if directed by regular mail or e-mail to the positions at the addresses noted below.

For DEM:
Director
Department of Environmental Management
235 Promenade Street
Providence, R.I. 02908-5767
Phone: (401) 222-4700

For the Bank:
Executive Director and CEO
Rhode Island Infrastructure Bank
235 Promenade Street, Suite 119
Providence, R.I. 02908
Phone: (401) 453-4430

If either Party selects a new Authorized Representative at any time during this MOU, they must notify the other Party in writing.

VIII. Assignment, Amendments, Waiver and Modifications

Assignment: Neither the Bank nor DEM shall assign, in whole or in part, its interest or duties in the CWSRF program and will not contract for resources to conduct functional CWSRF program tasks without written notification to the other organization. Both parties recognize that written notification is intended for informational purposes only, and both parties shall make a good faith effort to provide said notification prior to any assignment(s).

Amendments: Any amendment to this MOU must be in writing and approved by both Parties and shall not be effective until it has been executed by the Parties.

Waiver: If either Party fails to enforce any provision of this MOU, that failure does not waive the provision or the Party's respective right to enforce it.

Modifications: The Parties agree that no modification of this MOU may be made except pursuant to a written agreement signed by the Parties.

IX. Public Records, Records Identification and Retention

All records possessed by the Parties in connection with this MOU and the CWSRF are subject to the Rhode Island Access to Public Records Act, R.I. Gen. Law § 38-2-1, et seq.

All CWSRF files of both Parties will be mutually available.

The Bank and DEM will be responsible for project progress tracking, inspecting and closeout after loans are made. The Parties will use a project numbering system which will accommodate the needs of both Parties and distinguish between general project and fiscal records.

File retention will be split along general responsibilities as outlined herein. DEM will retain all general management, inspection, and Certificate of Approval files. The Bank will retain all Certificates of Approval, loan documents, loan-related activity, fiscal records, and audit files.

X. Governing Law

This MOU and performance hereunder shall be construed under the laws of the State of Rhode Island.

XI. Disputes

Disputes between the Bank and DEM in all matters in the CWSRF program which are related to the federal requirements under the Clean Water Act shall be resolved, following appropriate consultation with both Parties and review of all pertinent facts, by the EPA. EPA's decision shall be the final administrative action on the matter.

For all other matters in the CWSRF program, disputes between the Parties shall be resolved, following consultation with both organizations and review of pertinent facts, by an independent arbitrator.

XII. Assurances

This MOU is executed, delivered, and accepted upon the express terms, covenants and conditions herein, which terms, covenants and conditions shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

XIII. Execution

We, the undersigned, concur that we will use this MOU to govern interaction between the Bank and DEM regarding operation of the CWSRF program.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals.

Witness

RHODE ISLAND INFRASTRUCTURE BANK

Jeffrey R. Diehl — Dated
Executive Director and CEO

Witness

STATE OF RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

Terrance Gray, P.E. — 7/28/21 Dated
Acting Director

This section intentionally left blank.

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In the City of Providence in said County and State, on the 21st day of July in year 2021, before me personally appeared Jeffrey R. Diehl, Executive Director, of the Rhode Island Infrastructure Bank to me known and known by me to the party executing the foregoing instrument for and on behalf of Rhode Island Infrastructure Bank, and he acknowledged said instrument by him executed to be his free act and deed in his capacity as aforesaid, and the free act and deed of the Rhode Island Infrastructure Bank.

Suhaiylah Walker
Notary Public

NOTARY STAMP HERE

SUHAIYLAH WALKER
NOTARY PUBLIC
MY COMM EXPIRES 08-13-2022
STATE OF RHODE ISLAND

STATE OF RHODE ISLAND
COUNTY OF PROVIDENCE

In the City of Providence in said County and State, on the 28th day of July in year 2021, before me personally appeared Terrence Gray, the Acting Director of the State of Rhode Island, Department of Environmental Management, to me known and known by me to the party executing the foregoing instrument for and on behalf of the State of Rhode Island, Department Of Environmental Management, and he acknowledged said instrument by his executed to be his free act and deed in his capacity as aforesaid, and the free act and deed of the State of Rhode Island, Department Of Environmental Management.

Kelly A. Vartanian
Notary Public

NOTARY STAMP HERE

KELLY A. VARTANIAN
NOTARY PUBLIC
MY COMMISSION EXPIRES
03-23-2024
STATE OF RHODE ISLAND

H. RI Infrastructure Bank Loan Policies and Procedures

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 – PROGRAMS

SUBCHAPTER 15- SEPTIC AND SEWER

PART 1 - Clean Water State Revolving Fund Loan Policies and Procedures

1.1 Purpose:

The within Loan Policies and Procedures of Rhode Island Infrastructure Bank (the "Bank") have been established to govern the lending activities of the Water Pollution Control Revolving Fund and the Rhode Island Water Pollution Control Revolving Fund in accordance with the State Water Pollution Control Revolving Funds, 33 U.S.C. §§ 1381 to 1388 and R.I. Gen. Laws Chapter 46-12.2 as amended.

1.2 Definitions:

Except as otherwise defined herein, the words and phrases used within these Loan Policies and Procedures have the same meaning as the words and phrases have in R.I. Gen. Laws Chapter 46-12.2 as amended.

1.3 Financial Assistance:

These Policies and Procedures govern the provision of financial assistance to local governmental units, persons or corporations (collectively "Borrowers") to finance costs of approved water pollution abatement projects in the form of loans with below market interest rates or interest rate subsidies which reduce the cost of financing these projects by at least 33%. Financially distressed Borrowers may receive financial assistance greater than 33% as long as these loans do not have an adverse effect on other participants in the loan programs of the Bank; bond holders; other creditors of the Bank; or the finances of the Bank. In determining those Borrowers that qualify as "financially distressed" the Bank may consider the criteria set forth in R.I. Gen. Laws §§ 45-13-12(b)(1) through (4) as amended.

1.4 Loan Application:

A. Requests for financing should be submitted in writing by the Chief Executive Officer or other authorized officer of the Borrower to the Executive Director of the Bank. The written request shall include:

1. A description of the project to be financed with the projected construction and completion schedule. In the case of a refinancing, a description of the completed project and the terms and source of previous financing.

2. A description of the dedicated source of loan repayment, i.e., general revenues, or wastewater system revenues

3. A description of the overall operations of the Borrower, including but not limited to the most recent annual report or audited financials, with an emphasis on

   a. legal structure;

   b. management;

   c. sources of revenues;

   d. operating expenses;

   e. operating surpluses or deficits;

   f. actual results versus budget; and

   g. sources of financial liquidity.

4. Legal authority or authorities to construct, finance and operate the project.

5. The past five years Audited Financial Statements in accordance with Generally Accepted Government Accounting Standards.

6. Financial and demographic information.

7. For revenue bonds, financial projections over the life of the financing showing sources of revenues, operating expenses, capital replacement reserves, user fee impact analysis, and cash available for debt service.

8. Such other information as the Bank may reasonably require.

1.5 Loan Approval Process:

A. Loan approvals are subject to the following terms:

1. that all projects to be funded appear on the Rhode Island Department of Environmental Management's ("RIDEM") Project Priority List and have Certificates of Approval issued;

2. that the loan comply with all federal, state and Bank laws, rules and regulations;

3. that the loan and debt service requirements be approved by any applicable regulatory Agency;

4. that a satisfactory loan agreement be signed by all parties to the transaction;

5. that the loan will be made subject to availability of funds as related to the Bank's capacity; and that the loan will be made subject to ranking on RIDEM's Project Priority List.

6. The Bank will conduct a financial analysis for each loan application which may include, but not be limited to:

   a. sources of revenue and financial liquidity

   b. historical and projected financial operating results

   c. present and future debt service requirements

   d. impact of dedicated user fees and/or general revenues

   e. cost of the project and completion schedule

   f. long term capital replacement planning

   g. socioeconomic conditions and trends

   h. management qualifications and experience

   i. effects of legal structure and any regulator control

   j. any other information that the Bank or its Board of Directors may require.

7. In addition, the Bank may take into consideration the Affordability Criteria established by the Bank and RIDEM posted on the Bank's website.

B. If the Board approves the application, a Commitment Letter will be issued to the Borrower for their acceptance, outlining the terms and conditions of the loan.

1.6 Terms and Conditions:

A. Borrowing Rate - The stated interest rate on the Borrower bond, which is the Borrower's market rate (the "Market Rate"), is the prevailing market taxable or tax-exempt interest rate for issuers of comparable creditworthiness to the Borrower, as determined by the Bank on the advice of the Financial Advisor after consultation with the Borrower. Subject to adjustment by the Bank from time to time, the subsidized interest rate for the Loan is 66 2/3% of the Market Rate (the "Subsidized Interest Rate"). The Borrower will be obligated by the Borrower bond to pay the Market Rate, but will be billed only for the Subsidized Interest Rate. If the Borrower or other borrowers of the Bank should default in timely payment of debt service on the Loan or on the loans made to such other borrowers of the Bank, the Bank may require the Borrower to pay up to the Market Rate on the Borrower Bond.

1. Interest is to be calculated based on a 360-day year and twelve thirty-day months, and may be capitalized during construction. Interest payments are semi-annually on March 1 and September 1.

B. Loan Fees - An origination fee of the greater of $1,000 or one percent (1%) of the principal amount of the Loan will be payable to the Bank by the Borrower at the time of the Loan's closing. All other costs incidental to the Borrower's role in the transaction, i.e. legal fees, financial advisory fees, bond insurance premiums and the like, will be paid by the Borrower. The Bank will charge an annual service fee of one-half of one percent (0.5%) of the Loan's outstanding principal, payable semi-annually at each interest payment date. A late payment of five percent (5%) of the amount of the late payment will be charged for every 15 days that a payment is late.

C. Amortization - Amortization will begin at a mutually agreed upon date, but in no case later than the earlier of three (3) years after loan closing or September 1 after completion of the construction of the projects. Principal payments will be made annually on September 1st and the schedule of payments will be structured to meet the debt service and financial assistance needs of the Borrower.

D. Final Maturity - Loans shall mature no later than thirty years after the Loan closing.

E. Prepayments - A loan may be prepaid by the Borrower at any time but may be subject to a prepayment penalty based on the cost of reinvesting the prepayment, the cost of prepaying outstanding bonds of the Bank or any other negative financial impact to the Bank.

F. Security - Loans will have a pledge of

1. general revenues and/or wastewater system revenues; and/or

2. may be secured by any other assets and upon such other terms and conditions as the Bank deems appropriate to protect the interests of the other participants in the loan programs of the Bank; bondholders; other creditors of the Bank; bondholders; or the finances of the Bank.

G. Construction Progress Payments - Progress payments for each construction project will be made through an account established for the Borrower. Loan proceeds will be transferred monthly from the Borrower account for each borrower based upon approved Requisition Forms submitted to the Bank. Upon receipt of the Requisition Form, the Bank will verify:

1. that a Certificate of Approval has been issued by RIDEM;

2. the vendor is identified in the contract; and

3. there is sufficient availability in the Borrower account to make the payment.

a. Payments will be made directly to the vendor and/or the Borrower for reimbursements by the Bank, and a "paid" stamped copy of the Requisition Form will be sent to the Borrower and RIDEM. RIDEM will perform periodic project inspections to:

(1) monitor construction progress;

(2) verify eligibility of construction cost under the program; and

(3) ensure construction is in conformity with Plans and Specifications.

b. RIDEM will provide a copy of the inspection report to the Bank. Any adverse conditions will be reported to the Bank who will suspend further payments until the adverse conditions have been rectified. RIDEM will perform a final project inspection before the final payment is made by the Bank.

1.7 Reporting Requirements:

A. Borrowers will be required to provide information to the Bank during the life of the loan, including, but not limited to:

1. A copy of its Annual Audited Financial Statements in accordance with Generally Accepted Government Accounting Standards, annually within nine months of end of fiscal year.

2. An annual analysis of operating revenues and expenses, including without limitation, a description of the status of the dedicated wastewater system revenues and/or general revenues and operating expenses in excess of budget and a schedule of current and projected user rates.

3. A copy of the annual budget of the Borrower, within fifteen days of its adoption.

4. An annual schedule of current and projected short term and long term debt service.

5. An annual schedule of Capital Replacement Reserves.

6. Copies of reports submitted to RIDEM, the Environmental Protection Agency ("EPA") and any other regulatory agency relating to the projects financed by the Bank or the operation thereof.

7. Other information or reports that the Bank deems appropriate.

1.8 Loan Agreements:

There will be a Loan Agreement with the Borrower outlining the terms and conditions of the Bank's loan. The Borrower's repayment obligation to the Bank under the agreement will be evidenced by a bond(s) of the Borrower outlining the loan's specific terms and condition. The bonds shall be in fully marketable form, accompanied by documentation, in form and substance satisfactory to the Bank and an opinion, in form and substance satisfactory to the Bank, of nationally recognized bond counsel satisfactory to Bank as to its valid authorization, execution, delivery and enforceability, as well as its federal and state tax consequences, and may include an opinion that the bonds are not private activity bonds within the meaning of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") 26 U.S.C. § 141.

1.9 Compliance with State and Federal Law:

A. The Borrower must comply with all applicable state laws and regulations. Recipients of loans must also comply with all requirements of 33 U.S.C. §§1381 to 138 and regulations and guidance issued thereunder in addition to any other applicable federal laws and regulations.

B. In addition, the Borrower must agree to take all action, or refrain from taking any action, that would cause interest on any obligations of the Bank to be included, for federal income tax purposes, in the gross income of the holders of such obligations.

1.10 Modifications:

Where deemed appropriate by the Bank, waiver or variation of any provisions herein may be made or additional requirements may be added.

1.11 Severability:

If any provision of these rules and regulations or the application thereof to any local government unit, person, or corporation is held invalid by a court of competent jurisdiction, the remainder of the rules and regulations shall not be affected thereby. The invalidity of any section or sections or parts of any section or sections shall not affect the validity of the remainder of these rules and regulations.

830-RICR-10-15-1

TITLE 830 - INFRASTRUCTURE BANK

CHAPTER 10 - PROGRAMS

SUBCHAPTER 15 - SEPTIC AND SEWER

PART 1 - Clean Water State Revolving Fund Loan Policies and Procedures (830-RICR-10-15-1)

Type of Filing: Amendment
Effective Date: 06/01/2018

Editorial Note: This Part was filed with the Department of State prior to the launch of the Rhode Island Code of Regulations. As a result, this digital copy is presented solely as a reference tool. To obtain a certified copy of this Part, contact the Administrative Records Office at (401) 222-2473.

I. RIDEM Rules and Regulations

250-RICR-150-20-01

TITLE 250 - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

CHAPTER 150 - WATER RESOURCES

SUBCHAPTER 20 - FINANCIAL ASSISTANCE

Part 1 - Rules and Regulations for the State Revolving Fund (SRF) Program

1.1 Purpose

The purpose of these State Revolving Fund (SRF) Program regulations is to establish procedures for the issuance of Certificates of approval for water pollution abatement projects seeking financial assistance from the Clean Water State Revolving Fund.

1.2 Legal Authority

A. The federal Clean Water Act, 33 U.S.C. § 1251 *et seq*. (2018), ("CWA") authorized establishment of, and funding for, a capitalization grant program to states for establishing perpetual revolving loan funds as a source of low-cost financing for water pollution abatement projects.

1. The creation of the Rhode Island Infrastructure Bank ("Bank") and the charge to work in conjunction with the Rhode Island Department of Environmental Management ("DEM") to secure the benefit of the CWA Title VI program for Rhode Island was established by Chapter 303 of the Rhode Island Public Laws of 1989. This chapter was codified as R.I. Gen. Laws Chapter 46-12.2.

2. These SRF Program regulations are adopted in accordance with Chapter 42-35 (the Administrative Procedures Act) pursuant to: the requirements of R.I. Gen. Laws Chapter 46-12.2; the Director's powers and duties under R.I. Gen. Laws Chapter 42-17.1 and 46-12.2 and R.I. Gen. Laws § 46-12-3; and the federal requirements of Title VI of the CWA.

3. These regulations are effective twenty (20) days from the date of filing with the Secretary of State.

1.3 Superseded Regulations

These regulations supersede and entirely replace the "Rules and Regulations for the State Revolving Loan Fund (SRF) Program" dated March 1991 and amended June 1994 and September 1997.

1.4 Severability

If any provision of these rules and regulations or the application thereof to any local government unit, person, or circumstance is held invalid by a court of competent jurisdiction, the remainder of the rules and regulations shall not be affected thereby. The invalidity of any section or sections or parts of any section or sections shall not affect the validity of the remainder of these rules and regulations.

1.5 Definitions

A. "Bank" means the Rhode Island Infrastructure Bank.

B. "Approved project" means any project or portion thereof that has been issued a Certificate of Approval by the DEM for financial assistance from the Bank.

C. "Categorical Exclusion (CE)" means a category of project which does not individually or cumulatively have significant effects on the environment.

D. "Certificate of Approval (CA)" means the project Certificate of Approval per R.I. Gen. Laws § 46-12.2-8.

E. "Chief Executive Officer (CEO)" means the mayor in any city, the president of the town council in any town and the executive director of any authority or commission, unless some other officer or body is designated to perform the functions of a chief executive officer under any bond act or under the provisions of a local charter or other law.

F. "Clean Water Act (CWA)" means as defined by R.I. Gen. Laws § 46-12.2-2.

G. "Community Comprehensive Plan (CCP)" means a plan prepared pursuant to the Rhode Island Comprehensive Planning and Land Use Regulation Act, R.I. Gen. Laws Chapter 45-22.2.

H. "Comprehensive Conservation and Management Plan (CCMP)" means a plan prepared pursuant to the requirements of Section 320 of the Clean Water Act, 33 U.S.C. § 1330 (2018).

I. "Corporation" means any corporate person, including but not limited to: corporations, societies, associations, limited liability companies, partnerships, and sole proprietorships.

J. "Cost(s)" as applied to any project, means any or all costs, whenever incurred, in accordance with R.I. Gen. Laws §§ 46-12.2-2 and 46-12.2-8.

K. "Cumulative impact" means the impact on the environment which results from the incremental impact of project(s) when added to other past, present, and reasonably foreseeable future actions or projects, regardless of which local governmental unit, corporation or person undertakes such other actions or projects.

L. "DEM" means the Rhode Island Department of Environmental Management.

M. "Director" means the Director of DEM or his/her designee

N. "Effects" and "Impacts", as used in these regulations, are synonymous. Effects include ecological (such as the effects on natural resources and on the components, structures, and functioning of affected ecosystems), aesthetic, historic, cultural, economic, social, and health, whether direct, indirect, or cumulative. The distinctions are:

1 Direct effects are caused by project(s) and occur at the same time and place.

2. Indirect effects are also caused by project(s) and may be later in time or farther removed in distance, but are still reasonably foreseeable. Indirect effects may include growth-inducing effects and other effects related to induced changes in the pattern of land use, population density or growth rate, and related effects on air and water and other natural systems, including ecosystems.

3. Cumulative effects are caused by both the direct and indirect effects of water pollution abatement projects, plus the effects of other projects which are planned in the planning area.

O. "Environment" shall be interpreted comprehensively to include the natural and physical environment and the relationship of people with that environment (see the definition of "effects").

P. "Environmental Assessment (EA)" means a chapter, appendix, or amendment of a Wastewater Facilities Plan or other document

1. That serves to:

a. Briefly provide sufficient evidence and analysis of effects of proposed project(s) as a basis for DEM to determine whether to issue a Finding Of No Significant Impact (FONSI) or require an Environmental Impact Statement (EIS) to be prepared;

b. Document compliance with state and federal environmental review requirements when no EIS is required;

c. Facilitate preparation of an EIS when one is necessary;

2. Shall include:

a. Brief discussions of the need for the proposed project(s)

b. Brief discussions of alternatives to recommended project(s) which involve unresolved conflicts concerning alternative uses of available resources

c. Brief discussions of the environmental impacts of the proposed project(s) and alternatives and outline means to mitigate environmental impacts

d. Agencies and persons consulted during the environmental assessment, and responses to substantive comments.

Q. "Environmental Impact Statement (EIS)" means a detailed written statement prepared as a supplemental chapter of a Wastewater Facilities Plan or other document if DEM determines the Environmental Assessment identifies significant impacts associated with the preferred alternative project(s). The EIS will address:

1. The environmental impact(s) of the proposed project(s)

2. Any detrimental effects on the environment which cannot be avoided should the proposed project(s) be implemented

3. Alternatives to the proposed project(s) and the environmental impacts of those alternatives

4. The relationship between local short-term uses of the environment and the maintenance and enhancement of long-term productivity

5. Any irreversible and irretrievable commitments of resources which would be involved in the project(s) if implemented

R. "EPA" means the U.S. Environmental Protection Agency.

S. "Finding of No Significant Impact (FONSI)" means a document prepared by DEM briefly presenting the reasons for determining why project(s) will not have a significant effect on the environment. It shall include the EA and shall note any other environmental documents related to it. The FONSI need not repeat any of the discussion in the EA, but may incorporate it by reference.

T. "Loan" means a loan as defined in R.I. Gen. Laws § 46-12.2-2.

U. "Loan agreement" means any agreement as defined in R.I. Gen. Laws § 46-12.2.2.

V. "Local governmental unit" means as defined in R.I. Gen. Laws § 46-12.2-2.

W. "Mitigation" means:

1. Avoiding an impact altogether by not implementing a certain project or parts of a project

2. Minimizing an impact by limiting the degree or magnitude of a project and its implementation

3. Rectifying an impact by repairing, rehabilitating, or restoring the affected environment.

4. Reducing or eliminating an impact over time by preservation and maintenance operations during the life of a project.

5. Compensating for an impact by replacing or providing substitute resources or environments.

X. "National Environmental Policy Act (NEPA)" means the National Environmental Policy Act of 1969, codified at 42 U.S.C. § 4321 *et. seq*.

Y. "Non-Point Source (NPS) Management Plan" means a plan, including appendices and/or amendments, prepared pursuant to the requirements of Section 319 of the federal Clean Water Act.

Z. "Person" means any natural person.

AA. "Priority determination system" means the system by which water pollution abatement projects are rated on the basis of environmental benefit and other criteria pursuant to rules and regulations promulgated by DEM as they may be amended from time to time.

BB. "Project" or "Water pollution abatement project" means any project eligible pursuant to Title VI of the Clean Water Act, 33 U.S.C. § 1341 *et seq*. (2018).

CC. "Project Priority List (PPL)" means an annual ranked listing based on relative priority ratings of all water pollution abatement projects for which federal or state assistance is requested from DEM's assistance programs.

DD. "Record of Decision (ROD)" means a document prepared by DEM briefly reviewing the significant effects project(s) will have on the environment. It shall include the EIS and shall note any other environmental documents related to it. Since the EIS is included, the ROD need not repeat any of the discussion in the EIS, but may incorporate it by reference. The ROD will specify mitigation measures necessary to allow a project to proceed.

EE. "Significantly", as used in the DEM environmental review process, means considering both the context and intensity of impacts, whether beneficial or detrimental.

1. Context means that the significance of the impacts of a project must be analyzed in several contexts such as: the community as a whole (social, economic); the affected region; the affected interests; and the locality. Significance varies with the setting of the proposed project(s). In the case of a site-specific action, such as siting of a wastewater treatment facility, significance would usually depend upon the effects in the locale rather than in the whole planning area. Conversely, extending interceptor and collector sewers to a previously undeveloped portion of the planning area would result in effects on many elements of the environment.

2. Intensity refers to the severity of the impact. The parties responsible for facility planning must bear in mind that more than one agency may make decisions about partial aspects of a major action. The following should be considered in evaluating intensity:

    a. Impacts may be both beneficial and detrimental. A significant effect may exist even if it is believed on balance that the effect will be beneficial.

    b. The degree to which the proposed project(s) affect public health or safety.

    c. Unique characteristics of the geographic area impacted by the project(s) such as proximity to historic or cultural resources, park lands, prime farmlands, wetlands, wild and scenic rivers, or ecologically critical areas.

    d. The degree to which the effects of the proposed project(s) on the quality of the environment are likely to be controversial.

e. The degree to which the possible effects on the environment are uncertain or involve unique or unknown risks.

f. The degree to which a project may establish a precedent for future projects with similar effects or represents a decision in principle about a future consideration.

g. Whether the project(s) is related to other projects with individually minor but cumulatively major impacts. Significance exists if it is reasonable to anticipate a cumulatively major impact on the environment. Significance cannot be avoided by terming a project temporary or by breaking it down into small component parts.

h. The degree to which the project may detrimentally affect districts, sites, highways, structures or objects listed in or eligible for listing in the National Register of Historic Places, or may cause loss or destruction of significant scientific, cultural, or historic resources.

I. The degree to which the project may detrimentally affect an endangered or threatened species or its habitat that has been determined to be critical under the federal Endangered Species Act of 1973.

j. Whether a project threatens a violation of federal, state or local law or requirements imposed for the protection of the environment.

FF. "State Guide Plan" shall mean goals, policies, or plan elements for the physical, economic, and social development of the state, adopted by the State Planning Council in accordance with R.I. Gen. Laws § 42-11-10.

GG. "Title VI" means Title VI of the federal Clean Water Act, 33 U.S.C. § 1383 (2018).

HH. "Wastewater" means all flows in sanitary or combined sewers and all septage.

II. "Wastewater Facilities Plan (WWFP)" means a plan prepared pursuant to the requirements of Section 201 of the federal Clean Water Act, 33 U.S.C. § 1281 (2018), which is a detailed 20-year wastewater treatment, conveyance, and disposal plan, including an assessment of the environmental impacts of the plan, prepared to meet the statutory and regulatory requirements of the DEM for systems to prevent pollution and the consistency requirements of the Comprehensive Planning and Land Use Regulation Act (R.I. Gen. Laws Chapter 45-22.2).

JJ. "Wastewater Treatment Facility (WWTF)" means any equipment, devices, and systems for preventing, abating, reducing, storing, conveying, treating,

separating, recycling, reclaiming, or disposing of septage and flows from sanitary or combined sewers.

KK. "Waters of the state" shall include all surface waters including all waters of the territorial sea, tidewaters, all inland waters of any river, stream, brook, pond or lake, and all ground waters and wetlands of the state of Rhode Island.

1.6 Eligibility

A. All water pollution abatement projects proposed by local governmental units, corporations and persons, to the extent permitted by Title VI of the Clean Water Act, which are consistent with the state's goals, policies, and objectives as expressed in the State Guide Plan and are consistent with a plan approved under either Section 201, 319, or 320 of the federal Clean Water Act, 33 U.S.C. §§ 1281, 1329, and 1330 (2018), are eligible for assistance from the SRF Program. Assistance will be offered and awarded to projects based on ranking of the environmental benefits of the project, readiness to proceed and availability of funds.

B. Additional eligibility restrictions may apply to certain types of projects funded in whole or in part from funds awarded through Title VI of the Clean Water Act.

1.7 Environmental Review

A. All Section 212 (13 U.S.C. § 1292 (2018)) projects funded by the SRF Program must have the environmental impacts of project alternatives analyzed and evaluated as part of facilities planning or reaffirmation of the environmental review of an existing Wastewater Facilities Plan (WWFP). All Section 212 projects will include an Environmental Assessment and, if significant impacts on the environment are identified at any point in the planning process, an Environmental Impact Statement must be prepared. DEM will prepare any FONSI or ROD that is required. DEM shall review and approve all properly documented requests for Categorical Exclusions. DEM can only issue Certificates of Approval for Section 212 design and construction projects identified in a DEM-approved Wastewater Facilities Plan and its associated environmental review. The State Environmental Review Process (SERP) for Section 212 projects is conducted pursuant to § 1.12 of this Part.

1. The environmental review requirements for most Section 319 and Section 320 (33 U.S.C. §§ 1329, and 1330 (2018)) projects will be satisfied when they are consistent with either the NPS Plan or the CCMP. Certain Section 319 and 320 projects with Section 212 attributes may be subject to additional environmental review requirements.

2. At the request of another state agency, or quasi-state agency, the SERP may be used by the Director to assess the environmental impacts of activities funded through programs other than the SRF program.

1.8 Certificate of Approval Process

A Certificate of Approval for a project must be issued by DEM as the basis for receiving an SRF loan from the Bank. Applications for a Certificate of Approval will be submitted to the DEM, Office of Water Resources.

1.9 Loan Program

All loan requirements are contained in the Bank's "Clean Water State Revolving Fund Loan Policies and Procedures".

1.10 Project Administration and Audit

Any SRF loan project is subject to periodic site visits for reviews and inspections of the project progress, records, and accounts by either or both DEM and the Bank. All SRF project accounts must be reviewed as a major federal program under the federal Single Audit Act standards, 31 U.S.C. § 7501 *et seq.*, during any audit. All project management and fiscal records must be maintained by the borrower for a period of five years following project completion or final financial settlement, whichever is greater.

1.11 Penalties

In cases of non-compliance with conditions of a Certificate of Approval, a warning letter will be sent. Failure to correct or willful non-compliance with Certificate of Approval conditions will result in the issuing of a Notice of Violation by the DEM under the procedure detailed in R.I. Gen. Laws § 42-17.1-2(u). In addition to the Director's authority to assess administrative penalties for non-compliance under the authority of R.I. Gen. Laws Chapter 42-17.6, non-compliance with loan award conditions will be a condition of default of the SRF loan, and the local governmental unit or person may be assessed additional penalties by the Rhode Island Infrastructure Bank (Bank).

1.12 State Environmental Review Process

A. General Process and Background

1. This State Environmental Review Process (SERP) addresses compliance with the National Environmental Policy Act [NEPA], a requirement of the Clean Water Act [CWA] for all projects funded with the federal portion of

the Rhode Island SRF Program. Further, environmental review for natural resources inventories and consistency with the State Guide Plan (SGP) is required for all projects funded by the state portion of the SRF Program. The Rhode Island Comprehensive Planning and Land Use Regulation Act [R.I. Gen. Laws Chapter 45-22.2] requires not only coordination and consistency between state and local planning programs in the development of the Community Comprehensive Plan (CCP), but also consideration of environmental conditions during planning similar in many respects to NEPA.

2. To be eligible for funding by the SRF, projects must be identified in or consistent with the goals, policies, and objectives of the State of Rhode Island as expressed in the SGP and adopted elements thereof. All projects funded by the SRF must also be consistent with or identified in plans approved pursuant to the requirements of Sections 201, 319, or 320 of the federal Clean Water Act. Section 201 requires a Wastewater Facilities Plan (WWFP), a plan which assesses wastewater conveyance, treatment, and disposal needs for a twenty year planning period. The projects identified for implementation in the approved plan are called Section 212 projects. The Section 319 plan is "Rhode Island's Nonpoint Source (NPS) Management Plan", a plan which identifies projects to mitigate adverse water quality impacts from sources of pollution other than point sources. The Section 320 plan is the "Comprehensive Conservation and Management Plan (CCMP) for Narragansett Bay", a plan which identifies projects, objectives, and strategies for mitigation of pollutant loadings to the Narragansett Bay watershed. This plan has also been adopted as State Guide Plan Element 715.

3. All WWFPs or WWFP Updates funded by the SRF Program must meet the full federal environmental review requirements. This is necessary because the SRF Program contains both federal and state funds; to insure compliance with environmental consideration and planning consistency requirements under state law; to insure that design and construction projects are eligible for SRF Program loans; and to provide sufficient planning data to properly and efficiently manage the SRF Program for maximum benefit to the state. The environmental review requirements for most Section 319 and Section 320 projects are satisfied when they are identified in or consistent with either the NPS Plan or the CCMP, respectively. Certain Section 319 and 320 projects with Section 212 attributes may be subject to additional environmental review requirements.

4. All WWFPs or WWFP Updates funded by the SRF Program must contain at least an Environmental Assessment (EA). The EA will analyze and evaluate the impacts on the environment of all alternatives considered to

address the existing and forecasted needs identified through the WWFP process. All planning assumptions and forecasts used in the WWFP must be consistent with those used to develop the CCP of the local governmental unit. If significant impacts are identified with the selected alternative, further analysis and evaluation will be required in an Environmental Impact Statement (EIS). Mitigation measures for impacts from the Section 212 project contracts identified in the WWFP will be contained in any Categorical Exclusion (CE), Finding Of No Significant Impact (FONSI), or Record Of Decision (ROD) issued by DEM. Mitigation measures will also be conditions in the Certificates of Approval for design or construction loans, as appropriate. Monitoring compliance or progress toward complying with mitigation measures will be part of the DEM SRF project inspections.

5. To fund Section 212 projects that are identified in a WWFP for which the environmental determination (CE, FONSI, or ROD) is greater than five years old, the information and the environmental review findings of the WWFP must be reaffirmed for the projects to be eligible for SRF Program funding. The reaffirmation process requires examination of the current need for, cost of, and environmental impact of already studied projects. If there are no significant changes from the prior WWFP or environmental review, DEM may then approve the reaffirmation request.

6. In general, Categorical Exclusions for projects should be identified through the wastewater facilities planning process (i.e. WWFPs or WWFP Update). The need for a project, however, prior to being identified in an approved WWFP must be demonstrated and must have no significant environmental impacts. Requests for a CE for projects may be made directly to DEM for approval prior to applying for an SRF loan. DEM will not approve any CE requests that result in an increase in average daily design flow or a change in treatment method.

B. Local Governmental Unit Responsibility

1. The local governmental unit is responsible for providing the environmental review information as part of the WWFP required by the SRF program.

2. The local governmental units must prepare an Environmental Assessment (EA) as part of the WWFP. Comments by all agencies with statutory and/or regulatory authority within the planning area (e.g. Statewide Planning, Coastal Resources Management Council, DEM Wetlands, DEM Groundwater, RI Historical Preservation Commission, U.S. Fish & Wildlife, etc.) must be requested by the local governmental unit as part of the EA process. If the EA does not identify significant impacts from the project(s)

identified in the WWFP, DEM will issue a FONSI. If, as a result of the EA, significant impacts are identified, the local governmental unit must prepare an Environmental Impact Statement (EIS). DEM will issue a Record of Decision (ROD) identifying mitigation measures necessary for the project to proceed.

3. DEM will independently review and evaluate the environmental information provided as part of the WWFP, and issue a CE, FONSI or ROD. Mitigation measures and comments by other agencies must be incorporated in the WWFP and will be reflected in any final determination rendered by the Department.

4. As part of the Certificate of Approval application process for a Wastewater Facilities Planning loan, DEM will be reviewing the scope of work for consultant services. DEM will require a draft of the WWFP and EA to be submitted for review and comment prior to a public hearing for the document.

C. Public Notice and Participation

1. The local governmental unit must hold at least one public meeting/workshop during the preparation of the WWFP, preferably once the alternatives have been developed and the environmental impacts analyzed. This meeting will explain the Plan of Study and solicit public opinions and concerns. If the impacts identified with the preferred alternative in the EA are significant, the local governmental unit must issue a public notice stating that an EIS is being initiated and that a scoping meeting will be held. When the preferred alternative is identified, the community must hold a public hearing on the draft WWFP and draft EA/EIS. The Final WWFP and EA/EIS submitted to DEM for review and approval must include responses to all substantive public comments.

D. Consistency Requirements

1. For compliance with state law, information used in the WWFP is required to be consistent with the local CCP. The CCP will provide the basic assumptions and data to be used for forecasting: land use and other development and social parameters; cumulative impacts from all projects planned within the project area; natural, cultural, and historical resources inventories; population; zoning; and infrastructure and public services needs. To be approved by DEM, all WWFPs must be consistent with the local CCP. For DEM SRF Program funding assistance, all Section 212 projects must be identified in a DEM-approved WWFP or meet the requirements for a Categorical Exclusion.

E. Legal Procedures

1. Following the DEM decision to issue a CE, FONSI, ROD, or reaffirmation of a previous decision, DEM will invite public comments for thirty (30) days, or as required by R.I. Gen. Laws § 42-35-2.8, by publishing a notice of the determination made in a paper of statewide circulation and sending notification of such determination to all persons and associations who have advised the DEM that they wish to be noticed. During the public comment period, any interested party may submit written comments and may request a public hearing. A request for a public hearing shall be in writing and shall state the nature of the issues proposed to be raised in the hearing. Public hearings will be held in accordance with the provisions of the R.I. Administrative Procedures Act [R.I. Gen. Laws § 42-35-2.8]. Following public notice or public hearing, the final determination will be made by the Director.

2. At the time any final determination is made by the Director, DEM shall issue a response to comments. The response shall briefly describe and respond to all substantive comments raised during the public comment period or during the public hearing. The response to comments shall be made available to the public. Any person aggrieved by a final DEM decision may pursue any legal remedies it may be entitled to under the R.I. Administrative Procedures Act [R.I. Gen. Laws Chapter 42-35].

3. In cases of non-compliance with conditions of a Certificate of Approval, a warning letter will be sent. Failure to resolve the non-compliance through a warning letter will result in the issuing of a Notice of Violation by the DEM under the procedures detailed in R.I. Gen. Laws § 42-17.1-2(u). In addition to the Director's authority to assess administrative penalties for non-compliance under the authority of R.I. Gen. Laws Chapter 42-17.6, non-compliance with loan award conditions will be a condition of default of the SRF loan, and the local governmental unit may be assessed additional penalties by the Rhode Island Infrastructure Bank.

F. State Agency Authority

1. The Department of Environmental Management is the designated agency responsible for environmental review of water pollution abatement projects under state law.

2. The Director of the Department of Environmental Management has broad authority to: "supervise and control the protection, development, planning, and utilization of the natural resources of the state, such resources including (but not limited to) water..." R.I. Gen. Laws § 42-17.1-2(1); "to

establish minimum standards for the establishment and maintenance of salutary environmental conditions" (R.I. Gen. Laws § 42-17.1-2(14)); and "to develop comprehensive programs for the prevention, control, and abatement of new or existing pollution of the waters of the state" (R.I. Gen. Laws § 46-12-3(b)). The Director is also specifically authorized (R.I. Gen. Laws §§ 42-17.1-2(19), 46-12-3(r), 46-12.2-8(d)) to issue, amend, revoke, and enforce reasonable rules and regulations necessary to carry out duties assigned by any provision of law, along with the power to assess administrative penalties in accordance with R.I. Gen. Laws Chapter 42-17.6 for failure to comply with R.I. Gen. Laws § 42-17.1-2(22).

3. In addition to the broad general powers above, the Director is specifically authorized: "to establish minimum standards...relating to the location, design, construction, and maintenance of all sewage disposal systems" (R.I. Gen. Laws § 42-17.1-(2)(12)); " to establish minimum standards for permissible types of septage" (R.I. Gen. Laws § 42-17.1-2(15)); "to establish minimum standards…for...the design, construction, operation, and maintenance of disposal facilities; and the location of various types of facilities" (R.I. Gen. Laws § 42-17.1-2(16)); "To approve…the construction, modification, and operation of discharge systems or any parts thereof and to require the prior submission of plans, specifications, and other data relative to discharge systems and to require that such plans, specifications, and other data be certified by a professional engineer registered in Rhode Island and to inspect such systems either under construction or in operation" (R.I. Gen. Laws § 46-12-3(j)); "to approve the operation of treatment facilities" (R.I. Gen. Laws § 46-12-3(t)); to "enforce...the standards...for the quality of...water, and the design, construction and operation of all sewage disposal systems" (R.I. Gen. Laws § 42-17.1-2(13)).

4. State law also addresses protection of the environment as part of the comprehensive planning process. All municipalities of the state are currently in the process of developing or amending their CCP to meet the requirements of the Comprehensive Planning and Land Use Regulation Act (R.I. Gen. Laws Chapter 45-22.2). This act states: "Comprehensive planning must provide for protection, development, use and management of our land and natural resources" (R.I. Gen. Laws § 45-22.2-3(A)(3)); (A goal is), "To promote the protection of the natural...resources of each municipality and the state" (R.I. Gen. Laws § 45-22.2-3(C)(4)); "Rhode Island's cities and towns...shall: Plan for future land use which...protects our natural resources" (R.I. Gen. Laws § 45-22.2-5(A)(1)); [The natural and cultural resources element] "Shall provide an inventory of the significant natural resource areas such as water, soils, prime agricultural lands, natural vegetation systems, wildlife, wetlands, aquifers, coastal

features, flood plains, and other natural resources and the policies for the protection and management of such areas" (R.I. Gen. Laws § 45-22.2-6(E)). The R.I. Department of Administration's Division of Planning is responsible for the comprehensive planning process.

250-RICR-150-20-2

TITLE 250 – Department of Environmental Management

CHAPTER 150 – WATER RESOURCES

SUBCHAPTER 20 - FINANCIAL ASSISTANCE

PART 2 – Rules and Regulations for the Priority Determination System for Federal and State Assistance for Construction of Water Pollution Abatement Projects

2.1 Purpose

A. The Priority Determination System is designed to achieve optimum water quality management results from the Rhode Island Department of Environmental Management's (DEM) water pollution abatement project construction assistance programs, consistent with the powers and duties of the Department denoted in Chapters 42-17.1, 46-12, and 46-12.2 of the Rhode Island General Laws as amended, and the Federal Water Pollution Control Act [33 U.S.C. Sec. 1251 *et seq.*, as amended], commonly called the Clean Water Act.

B. The Priority Determination System describes procedures for annually determining the priority rating and ranking of all categories of identified water pollution abatement projects proposed by local governmental units and persons, which may receive federal and/or state funding assistance from the State Revolving Fund (SRF) and the Interceptor Bond Fund (IBF) account of the Rhode Island Clean Water Act Environmental Trust Fund.

C. Eligibilities and actual assistance awards are determined by the criteria and methodology contained in the rules and regulations for each specific assistance program.

2.2 Authority

These Rules and Regulations are promulgated pursuant to R.I. Gen. Laws §§ 42-17.1-1 *et seq.*, 46-12-1 *et seq.*, and 46-12.2-1 *et seq.*; and in accordance with R.I. Gen. Laws §42-35-1 *et seq*.

2.3 Application

The terms and provisions of these Rules and Regulations shall be liberally construed to permit the Department to effectuate the purposes of state law, goals, and policies.

2.4 Definitions

A. For the purposes of these Regulations, the following terms shall have the following meanings:

1. "Bank" or "RIIB" means the Rhode Island Infrastructure Bank established by R.I. Gen. Laws § 46-12.2-1 *et seq.*

2. "Areawide Waste Treatment Management Plan" or "208 Plan" means the plan prepared by the State pursuant to Section 208 of the Clean Water Act.

3. "Chief Executive Officer" means the mayor in any city, the president of the town council in any town, or the executive director of any authority or commission unless some other officer or body is designated to perform the functions of a chief executive officer under the provisions of a local charter or other law.

4. "Clean Water Act" or "CWA" means the Federal Water Pollution Control Act, codified at 33 U.S.C Sec. 1251 *et seq.*, as amended.

5. "Community Comprehensive Plan" or "CCP" means a plan prepared pursuant to the Rhode Island Comprehensive Planning and Land Use Regulation Act, R.I. Gen. Laws § 45-22.2-1 *et seq.*

6. "Comprehensive Conservation and Management Plan" or "CCMP" means a plan prepared pursuant to the requirements of Section 320 of the Clean Water Act.

7. "Construction" means any one or more of the following: Preliminary planning to determine the feasibility of treatment works, engineering, scientific, architectural, legal, fiscal, or economic investigations or studies, surveys, designs, plans, working drawings, specifications, procedures, or other necessary actions, erection, building, acquisition, alteration,

rehabilitation, improvement, or extension of treatment works, or the administration, inspection, or supervision of any of the foregoing items.

8. "Combined Sewer" means a sewer which serves as a sanitary sewer and a storm sewer.

9. "Combined Sewer Overflow" or "(CSO)" means flow from a combined sewer in excess of the interceptor or regulator capacity that is discharged into a receiving water without going to a WWTF. A CSO occurs prior to reaching a WWTF and is distinguished from bypasses which are intentional diversions of waste streams from any portion of a WWTF.

10. "Costs" means any or all costs relating to the planning, designing, acquiring, constructing and carrying out and placing in operation a water pollution abatement project including, but not limited to, the following: planning, design, acquisition, construction, expansion, improvement and rehabilitation of facilities; acquisition of real or personal property; demolitions and relocations; labor, materials, machinery and equipment; services of architects, engineers, scientists, environmental and financial experts and other consultants; feasibility studies; rate/cost recovery/user charge studies; borings, survey, and other preliminary engineering costs; plans and specifications; administrative costs; legal costs; all costs related to project financing; and any and all other expenses necessary or incidental to the financing and construction of a water pollution abatement project.

11. "Department" or "DEM" means the Department of Environmental Management of the State of Rhode Island.

12. "Director" means the Director of the Rhode Island Department of Environmental Management or his/her designee.

13. "Fiscal Year" means the State of Rhode Island fiscal year: 1 July to 30 June.

14. "Growth Center" means a designated area, consistent with the state-approved local Community Comprehensive Plan, where compact, mixed-use development is accommodated without depleting a community's natural, historic and cultural resources.

15. "Infiltration/Inflow" or "(I/I)" means the total flow from both infiltration and inflow without distinguishing the source.

16. "Landfill" means any site where the disposal of wastes and/or sludge occurs or has occurred by placing them in or on the land, compacting, and covering with a layer of soil.

17. "Local Governmental Unit" means any city, town, district, commission, agency, authority, board or other political subdivision or instrumentality of the state or of any political subdivision thereof responsible for the ownership or operation of a water pollution abatement project(s), including the Narragansett Bay Water Quality Management District Commission.

18. “Materials" means product(s) employed in or by-products generated by industrial, commercial, and/or agricultural processes.

19. "Materials Storage Area" means any pile, impoundment, compound, facility or other area where materials are contained, held or otherwise stored in such a manner which causes, contributes to, or contaminates runoff.

20. "Nonpoint Source Management Plan" or "NPS" means a plan prepared pursuant to the requirements of Section 319 of the Clean Water Act.

21. "Onsite Wastewater Treatment System" or "(OWTS)" means any system of piping, tanks, disposal areas, alternative toilets or other facilities designed to function as a unit to convey, store, treat and/or dispose of sanitary sewage by means other than discharge into a public sewage collection system.

22. "Person" means an individual, trust, firm, joint-stock company, corporation (including a quasi-governmental corporation), partnership, association, syndicate, fire district, club, non-profit agency commission, or of any interstate body and any agent or employee thereof.

23. "Pollution" means the man-made or man-induced alteration of the chemical, physical, biological, thermal, and radiological integrity of water.

24. "Project" or "Water Pollution Abatement Project" means any project that contributes to the prevention, removal, curtailment, or mitigation of

pollution of the surface waters or groundwater of the state, or the restoration of the quality of said waters, and conforms with any applicable planning document which has been approved and/or adopted. This definition shall be construed to include the planning, design, construction or any other distinct stage or phase of a project, as well as efforts to educate or raise the awareness of the general public towards pollution or a project.

25. "Project Priority List" or "PPL" means an annual ranked listing based on relative priority ratings of all water pollution abatement projects in all categories for which federal or state assistance is requested from DEM's assistance programs.

26. "Raw Sewage Discharge" means any discharge to a receiving water of untreated sanitary sewage.

27. "Runoff" means water that drains from an area as surface flow.

28. "Sanitary Sewer" means a sewer which conveys wastewater from residences, commercial buildings, industrial plants, and institutions.

29. "State Guide Plan" or "SGP" means goals, policies, or plan elements for the physical, economic, and social development of the state, adopted by the State Planning Council in accordance with R.I. Gen. Laws § 42-11-10.

30. "Storm Sewer" means a sewer intended to convey only storm waters, surface runoff, street wash waters, and drainage.

31. "Total Maximum Daily Load" or "TMDL" means the amount of a pollutant that may be discharged into a waterbody and still maintain water quality standards. The TMDL is the sum of the individual wasteload allocations for point sources and the load allocations for nonpoint sources and natural background taking into account a margin of safety.

32. "Underground Storage Tank" means any one or a combination of tanks (including underground pipes connected thereto) which is used to contain an accumulation of petroleum product or hazardous materials, and the volume of which (including the volume of the underground pipes connected thereto) is ten percent (10%) or more beneath the surface of the ground.

33. "Wastewater Facilities Plan" or "WWFP" means a plan prepared pursuant to the requirements of Section 201 of the federal Clean Water Act which is a detailed 20-year wastewater treatment, conveyance, and disposal plan, including an assessment of the environmental impacts of the plan, and which also contains information to meet the statutory and regulatory requirements of the DEM for systems to prevent pollution and the consistency requirements of the Comprehensive Planning and Land Use Regulation Act (R.I. Gen. Laws § 45-22.2).

34. "Wastewater Treatment Facility (WWTF)" means any equipment, devices, and systems for preventing, abating, reducing, storing, conveying, treating, separating, recycling, reclaiming, or disposing of sanitary or combined sewage.

35. "Watershed Action Plan" means a document that identifies watershed goals and management objectives along with specific action items that are needed. The plan is developed in consultation with all key stakeholders within the watershed including, but not limited to, federal, state and local governmental agencies, non-governmental organizations and the private sector.

2.5 Project Priority List

A. A project cannot receive funding from any DEM assistance program which utilizes the Priority Determination System unless it is on the approved Project Priority List. The DEM, Office of Water Resources must receive a letter of intent or equivalent document requesting that the proposed project be placed upon the Project Priority List. To be rated and ranked under the project priority system, the letter of intent for a requested project must include:

1. Documentation that the requested project is, at a minimum, not inconsistent with: the State Guide Plan; a Community Comprehensive Plan; the Non-Point Source Management Plan; the Areawide Waste Treatment Management Plan or Plans; the Comprehensive Conservation and Management Plan; an approved Wastewater Facilities Plan. EXCEPTION: this requirement does not necessarily apply to request for assistance for planning or scientific investigations/studies.

2. A total cost estimate of all costs relating to the project.

3. A project description and schedule.

B. The Director shall annually prepare and publish a ranked priority list of all water pollution abatement projects for which assistance has been properly requested.

2.6 Project Rating

A. The Director shall rate each project according to the project rating criteria in Appendix I of these Regulations. In order to rate a project, the Director must determine that the project will contribute to achieving the State water quality policy goals and objectives. The numerical scores in Appendix I are based on the following:

1. The existing conditions that cause the pollution.

2. The benefits of the proposed project, including improvements in overall efficiency and service.

3. Improvements to water quality.

4. Intergovernmental needs, requirements, or mandates identified in: the State Guide Plan; a Community Comprehensive Plan; the Non-Point Source Management Plan; the Areawide Waste Treatment Management Plan; the Comprehensive Conservation and Management Plan; a Special Area Management Plan; an approved Total Maximum Daily Load or Watershed Action Plan, or an approved Wastewater Facilities Plan.

5. The degree to which a project is ready to proceed.

B. For every project, the Director shall assign points to each project rating criterion based upon the most current information available to the Department, including information received prior to or during the public notice period required under § 2.8 of this Part.

C. Point values have been assigned to subcategories based on needs and priorities identified in but not limited to: the State Guide Plan; a Community Comprehensive Plan; the Nonpoint Source Management Plan; the Areawide Waste Treatment Management Plan; the Comprehensive Conservation and Management Plan; DEM Water Quality Regulations; RIDEM Rules and

Regulations for Groundwater Quality; and an approved Wastewater Facilities Plan.

D. The Director shall annually evaluate the rating of each project and make such changes as deemed necessary.

2.7 Project Ranking

Projects will be ranked based upon points accumulated pursuant to § 2.6 of this Part. The Director shall not place projects on the PPL and shall remove projects from the PPL when it is determined that the projects will not contribute to achieving applicable state water quality goals, policies, standards, or objectives.

2.8 Review and Adoption of Priority List

A. The Director shall make available for written comments the proposed PPL prior to its adoption.

B. Public notice of the availability of the proposed PPL shall be published in a newspaper of the State with statewide circulation, or on the Department's website, for up to thirty (30) calendar days, or as required by R.I. Gen. Laws § 42-35, to afford all interested persons reasonable opportunity to submit data, views, or arguments concerning the proposed PPL. The public notice shall indicate the location where copies of the draft PPL may be obtained and/or reviewed by interested parties.

C. The Director shall accept written comments on the draft PPL. The Director shall consider fully all written submissions respecting the proposed PPL, and make any changes deemed necessary to serve the purposes of these Regulations.

D. The Director will adopt a final PPL. Upon adoption of the final PPL, if requested to do so by an interested person, the Director will issue a concise statement of the principal reasons for and against its adoption, incorporating therein the reasons for overruling the considerations urged against its adoption.

E. The Director shall permanently retain a copy of the PPL development record which shall include a copy of the final PPL, copies of all comments, and any statement by the Director regarding the comments on or adoption of the final PPL.

F. The Director shall include such information in the PPL for each project as required by the EPA pursuant to the Clean Water Act and guidance issued pursuant thereto.

2.9 Project Priority List Revision

A. The Director shall review the PPL for changes in estimated project schedules, project costs and/or scope, annually. The Director may propose modification of the PPL at any time according to these procedures:

1. Addition to the list: projects can only be added to the PPL after a public notice period as described in Rule 2.8 (250-RICR-150-20-2).

2. Removal from the list:

   a. The Director may remove a project completely from the Project Priority List if is determined: that it is fully funded by other assistance programs; that it is not consistent with an approved WWFP or applicable comprehensive management plan; or that significant deficiencies exist in the project scope of work or costs analysis.

   b. The Director shall notify by certified mail the person or local governmental unit whose project will be removed and the basis for the removal. The person or local governmental unit shall have ten (10) calendar days from receipt of the letter to submit evidence to the DEM showing that its project should not be removed.

   c. The Director shall review his/her decision based on the information submitted by the person or local governmental unit and shall revise his/her decision if deemed necessary.

   d. A person or local governmental unit whose project is removed after such review by the Director may request that the Director reverse his/her decision to remove the project only if substantial rights of the applicant have been prejudiced because the administrative findings, inferences, conclusions, or decisions are without factual basis or are an unfair interpretation of the Rules and Regulations.

3. Revisions of a Clerical Nature: Revisions of a clerical nature require neither a public hearing nor documentation.

2.10 Severability

If any provision of these Rules and Regulations, or the application thereof to any local governmental unit or circumstances, is held invalid by a court of competent jurisdiction, the validity of the remainder of the Rules and Regulations shall not be affected thereby.

2.11 Superseded Rules and Regulations

On the effective date of these Rules and Regulations, all previous Rules and Regulations, and any policies regarding the administration and enforcement of the Priority Determination System shall be superseded. However, any enforcement action taken by, or application submitted to, the Department prior to the effective date of these Rules and Regulations shall be governed by the Rules and Regulations in effect at the time the enforcement action was taken, or application filed.

2.12 Appendix I - Project Rating Criteria

APPLICANT:			Point Values	Actual Rating	Item #
PROJECT:					
I.		EXISTING CONDITIONS CRITERIA †			
	A.	Direct Raw Sewage Discharge/Sanitary Sewer Overflow	7		A
	B-1	Failing OWTS. - Documented Water Quality Degradation	7		B-1

	B-2	Failing OWTS – Other	3		B-2
	C-1	Untreated/uncontrolled runoff - Documented Water Qual. Degrad. (Pathogen impacts)	5		C-1
	C-2	Untreated/uncontrolled runoff - Documented Water Qual. Degrad. (Non-path. impacts)	3		C-2
	C-3	Untreated/uncontrolled runoff – Other	2		C-3
	D-1	Wastewater Treatment Facility	3		D-1
	D-2	Collection System/Pump Station	1		D-2
	E.	Combined Sewer Overflows	10		E
	F.	Landfill - Closure imminent or closed	3		F
	G-1	Underground Storage Tank – Leaking	3		G-1
	G-2	Underground Storage Tank - Potential to leak (single wall construction)	2		G-2
	H.	Materials Storage Area	3		H
	I-1	Sub-surface Discharge - non-sanitary wastewater	2		I-1
	I-2	Sub-surface Discharge - stormwater only	1		I-2
	J.	Stormwater treatment/management facility	3		J
	K.	Atmospheric Deposition	1		K
	L.	Excessive Flows - exceeds design flow or operational capacity	3		L
	M.	Streambank erosion or scouring	3		M

	N.	Stream continuity/connectivity impaired	3		N
	O.	Drinking water well contamination	3		O
		Section I - Total Points		_____	
II.		PROPOSED PROJECT BENEFITS CRITERIA † *			
	A.	Regional Project (i.e. project serves more than one community)	5		A
	B	Treatment of Septage at Existing WWTF	3		B
	C.	Operational Reliability Improvement	2		C
	D.	Project helps to alleviate a Sewer Connection/Extension Ban in the area served	5		D
	E.	Demonstration or Pilot Projects	2		E
	F.	Project incorporates pollution prevention/waste minimization techniques	2		F
	G.	Project protects or restores a critical aquatic habitat or resource	3		G
	H.	Project provides technical assistance/public education	2		H
	I.	Project improves permitted discharge from interim to final limits	3		I

		(discharge is presently in compliance with interim limits)			
	J.	Project addresses/prevents water pollution within a growth center	5		J
	K.	Project incorporates green infrastructure, energy conservation or other sustainable measures	5		K
	L.	Project implements climate change resiliency measures	5		L
		Section II - Total Points		_____	
III.		WATER QUALITY IMPROVEMENT CRITERIA ‡			
A.		Surface Water Restoration † [Use Integrated 305(b)/303(d) Report]			
	A-1	Project affects a Category 4.A or 4.B waterbody	8		A-1
	A-2	Project affects a Category 5 waterbody	6		A-2
	A-3	Project affects a Category 4.C waterbody	4		A-3
		Subtotal III A		_____	

B.		Surface Water Protection † [Use RIDEM Water Qual. Regs. & 305(b)/303(d) Report]			
	B-1	Project affects an SRPW drinking water supply waterbody	8		B-1
	B-2	Project affects another SRPW or Category 2 waterbody	6		B-2
		Subtotal III B		_____	
C.		Groundwater Protection Factor [Use Rules and Regulations for Groundwater Quality] †			
	C-1	Project affects a Wellhead Protection Area for Community Water System Well	6		C-1
	C-2	Project affects an area of GAA Groundwater	4		C-2
	C-3	Project affects an area of GA Groundwater	2		C-3
	C-4	Project affects an area of GB Groundwater	1		C-4
		Subtotal III C		_____	
		Section III - Total Points		_____	

IV.		INTERGOVERNMENTAL NEEDS CRITERIA ††			
	A.	Project is consistent with Community Comprehensive Plan/State Guide Plan	3		A
	B.	Project is consistent with an approved Wastewater Facilities Plan or OWMP	3		B
	C.	Project is consistent with a Special Area Management (SAM) Plan	3		C
	D.	Project is consistent with the Areawide Waste Management Plan (208 Plan)	1		D
	E.	Project is consistent with the Nonpoint Source Management Plan (319 Plan)	3		E
	F.	Project is consistent with the Comp. Conservation and Management Plan (CCMP)	3		F
	G.	Project is consistent with TMDL or Watershed Action Plan	3		G
	H.	Project is consistent with the local Stormwater Management Plan	3		H
	I.	Project is consistent with the Implications for Climate Change for RI Wastewater Collection and Treatment Infrastructure	3		I
	J.	Population Served by the Project †			J.
	J-1	1 – 14,999	1		J-1

	J-2	15,000 – 49,999	2		J-2
	J-3	≥ 50,000	3		J-3
		Section IV – Total Points		_____	
V.		READINESS TO PROCEED CRITERIA			
A.		Planning †			
	A-1	Remedial Action Work Plan has been approved	2		A-1
	A-2	Wastewater Facilities Plan or OWMP approved or reaffirmed	2		A-2
	A-3	Environmental Assessment or Categorical Exclusion Approved	2		A-3
	A-4	Lake Management Plan Approved	2		A-4
		Subtotal V A		_____	
B.		Design			
	B-1	Plans and Specifications approved	2		B-1

		Subtotal V B		_____	
C.		Financial/Other ††			
	C-1	Local bonding authority approved, system revenues pledged or other local funds committed	2		C-1
	C-2	Pre-application for SRF Funding complete (i.e. qualified for loan by RIIB)	2		C-2
	C-3	Grant funding has been secured	2		C-3
	C-4	Local ordinance/zoning passed in support of the project	2		C-4
		Subtotal V C		_____	
		Section V - Total Points		_____	

† - Select one criterion, at most, for each category. For example, choose A-1, A-2 or neither as applicable.

† † - Select each and every criterion which applies.

* - Points are awarded for projects at the project site if the criterion is included in the proposed project.

‡ - For water bodies that are included on the surface water reclamation and protection lists, the highest total point rating under either of those lists must be used, but not

both.

250-RICR-150-20-2

TITLE 250 - DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

CHAPTER 150 - WATER RESOURCES

SUBCHAPTER 20 - FINANCIAL ASSISTANCE

PART 2 - Rules and Regulations for the Priority Determination System for Federal and State Assistance to Local Governmental Units for Construction of Water Pollution Abatement Projects (250-RICR-150-20-2)

Type of Filing: Amendment
Effective Date: 10/24/2017

Editorial Note: This Part was filed with the Department of State prior to the launch of the Rhode Island Code of Regulations. As a result, this digital copy is presented solely as a reference tool. To obtain a certified copy of this Part, contact the Administrative Records Office at (401) 222-2473.

J. Affordability Criteria

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Affordability Criteria

For SFY25 and SFY26

Affordability Index results are shown in the following pages. All 39 RI municipalities have been indexed along with selected drinking water and wastewater entities. Additional drinking water and wastewater entities can be indexed on an as-needed basis.

Eligible systems shall be tiered as follows:

- systems with an Affordability Index **75% or less** of the state average shall be in **tier 1**;
- systems with an Affordability Index **76% to 89%** of the state average shall be in **tier 2**;
- systems with an Affordability Index **90% to 100%** of the state average shall be in **tier 3**.

Domestic limited liability companies and domestic profit corporations, excepting cooperatives, are not eligible for tiers 1 through 3. Additionally, to qualify for drinking water tiering, entities must be a community Public Water System or a school.

The table below describes the SFY25 and SFY26 Tiers with eligible entities listed. Entities not listed are either not eligible or have not been indexed.

Table: SFY25 and SFY26 Tiers with eligible communities (% = Community Index as Percentage of State Index)

Tier 1 Affordability Index **0-75%**	**Tier 2** Affordability Index **76 - 89%**	**Tier 3** Affordability Index **90 - 100%**
City of Central Falls 59% Smithfield Water Supply Board 66% Woonsocket Water 68% City of Woonsocket 67% Woonsocket WWTF 73%	City of Providence 77% City of Pawtucket 78% Pawtucket Water Supply Board 78% Narragansett Bay Commission 83% City of East Providence 85% Providence Water Supply Board 87% Tiverton Wastewater District 89%	Town of West Warwick 90% West Warwick WWTF 91% Town of Warwick 96% Town of North Providence 97% City of Newport 98% Town of Narragansett 99% Note: Funding only available in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2.

Note: The preceding results have been computed using the RI Infrastructure Bank's affordability formula. Detailed calculations and metrics employed are provided below.

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Allocating Principal Forgiveness Amounts

RI Infrastructure Bank ("Bank") shall announce principal forgiveness amounts for qualifying projects by May 15, 2024. Amounts shall be determined by considering the amount of funding available, the pool of projects with applications submitted by the priority financial application date (if applicable), and any other relevant factors. For projects closing loans, the Bank anticipates allocating principal forgiveness according to the guidelines in the following table; however, the Bank may deviate from the guidelines detailed in the table depending on various factors. Prospective borrowers are encouraged to contact the Bank to discuss the applicability of the guidelines to them and their proposed project.

Table: SFY25 and SFY26 Tiers with thresholds and anticipated principal forgiveness

Tier	Index Threshold	Anticipated DW SRF Principal Forgiveness	Anticipated CW SRF Principal Forgiveness
Tier 1	**0-75%** of state average	40%* of project cost for projects meeting priority dates	40%* of project cost for projects meeting priority dates
Tier 2	**76-89%** of state average	20%* of project cost for projects meeting priority dates	20%* of project cost for projects meeting priority dates
Tier 3	**90-100%** of state average	Funding possible in this tier if no ready- to-proceed projects remain in Tier 1 and Tier 2	Funding possible in this tier if no ready-to-proceed projects remain in Tier 1 and Tier 2
All projects listed on PPL		Up to $100,000* per project for systems serving less than 10,000 users; Up to $200,000* per project for systems serving school districts; Emergency generators may receive principal forgiveness for a portion or the entirety of project	Forgiveness available for Green Project Reserve projects by order of PPL ranking; __%* of GPR project cost

*Principal forgiveness amounts to be determined based on pool of ready-to-proceed projects and funding availability. Ready-to-proceed status requires projects to have been bid and to have obtained borrowing authority.

The Bank strives to accommodate all borrowers. Projects meeting priority dates shall be allocated principal forgiveness first; any remaining principal forgiveness shall be allocated in the order in which ready-to-proceed financial applications are received. Principal forgiveness amounts are contingent upon funding availability and readiness to proceed. Final determinations on principal forgiveness will be made in connection with closing a loan.

Rhode Island Affordability Index Calculation Results - SFY25 and SFY26

Systems indexed at 89% or less of the statewide average shall be designated a tier 1 or tier 2 entity;
Systems between 90% and 100% of the state average shall be designated a tier 3 entity. Tier 1 and tier 2 communties are eligible for priority funding.
This list is not comprehensive and does not include all eligible systems. Additional systems shall be indexed on an as-needed basis.

Legend

Community List	Column Headers
Eligible community (tier 1 or 2) (tier 3)	Original data: used directly / used for calculation
Non-eligible community	*Calculated data*

Data sources

(1) Median Household Income data

Municipalities and drinking water/wastewater systems serving over 10,000: Data source: US Census Bureau, 2018-2022 American Tables S1901 Median Income in the Past 12 Months (2022 Inflation-Adjusted Dollars). Accessed January 2024. Link: https://dlt.ri.gov/sites/g/files/xkgbur571/files/2023-12/towninc.pdf
Water systems entirely in one census tract such as University of Rhode Island are treated as small systems and use census tract level data (S1901 data source link below).
Drinking water and wastewater systems serving 10,000 or less; or in one census tract: Data is from a) an income survey of the entire water system or b) census tract level Census Bureau data. If a system serves multiple census tracts, the census tract with the lowest income is used. Census Bureau, 2016-2020 American Tables S1901 Median Income in the Past 12 Months (2022 Inflation-Adjusted Dollars). Accessed January 2024. Link:
https://data.census.gov/cedsci/map?q=S1901%3A%20INCOME%20IN%20THE%20PAST%2012%20MONTHS%20%28IN%202019%20INFLATION-ADJUSTED%20DOLLARS%29&g=0400000US44,44%241400000&tid=ACSST5Y2020.S1901&cid=S1901_C01_012E&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.6571,-71.4863,z8.8156

(2) Employment data is from the RI DLT 2023 Annual Average Labor Force Statistics. Accessed January 2024. Link: https://dlt.ri.gov/labor-market-information/data-center/unemployment-ratelabor-force-statistics-laus. Data source: RI DLT, Labor Market Information, updated 3/2023.
Water systems entirely in one census tract such as University of Rhode Island use census tract level data from the 2020 American Community Survey 5-Year Estimates. Link:
https://data.census.gov/map?t=Employment+and+Labor+Force+Status&g=0400000US44$1400000_1400000US44009051400&tid=ACSDP5Y2020.DP03&cid=DP03_0004PE&layer=VT_2020_140_00_PY_D1&mode=thematic&loc=41.5616,-71.2036,z9.6129

(3) Population data is from RI Division of Statewide Planning. Accessed January 2024. Link: https://planning.ri.gov/ri-census-2020. Source: US Census Bureau, 2020 Census and 2010 Census.

Municipalities

Community	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	*Employment Rate*	2020 Population (3)	2010 Population (3)	*Population Change*	**Index**	**Percent of State Index**
Rhode Island	$81,370	569,455	551,220	0.968	1,097,379	1,052,567	104.3%	82,118	100%
Barrington	$145,028	8,552	8,371	0.979	17,153	16,310	105.2%	149,296	182%
Bristol	$91,382	12,142	11,806	0.972	22,493	22,954	98.0%	87,069	106%
Burrillville	$113,589	9,488	9,193	0.969	16,158	15,955	101.3%	111,458	136%
Central Falls	$43,092	8,769	8,424	0.961	22,583	19,376	116.6%	**48,248**	**59%**
Charlestown	$103,182	4,236	4,080	0.963	7,997	7,827	102.2%	101,541	124%
Coventry	$94,800	19,292	18,706	0.970	35,688	35,014	101.9%	93,690	114%
Cranston	$83,123	42,547	41,203	0.968	82,934	80,387	103.2%	83,048	101%
Cumberland	$109,466	20,501	19,950	0.973	36,405	33,506	108.7%	115,741	141%
East Greenwich	$155,037	7,053	6,867	0.974	14,312	13,146	108.9%	164,337	200%
East Providence	$71,736	24,900	24,047	0.966	47,139	47,037	100.2%	**69,429**	**85%**
Exeter	$104,288	3,999	3,887	0.972	6,460	6,425	100.5%	101,919	124%
Foster	$109,614	2,958	2,867	0.969	4,469	4,606	97.0%	103,082	126%
Glocester	$106,350	6,392	6,233	0.975	9,974	9,746	102.3%	106,131	129%
Hopkinton	$93,370	4,706	4,570	0.971	8,398	8,188	102.6%	92,997	113%
Jamestown	$131,875	3,325	3,251	0.978	5,559	5,405	102.8%	132,614	161%
Johnston	$83,001	16,208	15,638	0.965	29,568	28,769	102.8%	82,306	100%
Lincoln	$104,258	12,866	12,529	0.974	22,529	21,105	106.7%	108,377	132%
Little Compton	$136,389	1,924	1,868	0.971	3,616	3,492	103.6%	137,121	167%
Middletown	$97,555	8,054	7,826	0.972	17,075	16,150	105.7%	100,223	122%
Narragansett	$90,214	9,142	8,953	0.979	14,532	15,868	91.6%	**80,910**	**99%**
New Shoreham	$66,652	777	724	0.932	1,410	1,051	134.2%	83,320	101%
Newport	$81,330	14,005	13,622	0.973	25,163	24,672	102.0%	**80,680**	**98%**
North Kingstown	$116,053	15,066	14,689	0.975	27,732	26,486	104.7%	118,472	144%
North Providence	$77,039	18,537	17,949	0.968	34,114	32,078	106.3%	**79,330**	**97%**
North Smithfield	$96,677	7,197	7,001	0.973	12,588	11,967	105.2%	98,924	120%
Pawtucket	$62,799	37,387	35,963	0.962	75,604	71,148	106.3%	**64,190**	**78%**
Portsmouth	$107,010	8,937	8,687	0.972	17,871	17,389	102.8%	106,900	130%
Providence	$61,365	88,650	85,113	0.960	190,934	178,042	107.2%	**63,183**	**77%**
Richmond	$111,989	4,501	4,422	0.982	8,020	7,708	104.0%	114,477	139%
Scituate	$110,429	6,425	6,240	0.971	10,384	10,329	100.5%	107,820	131%
Smithfield	$93,179	11,771	11,439	0.972	22,118	21,430	103.2%	93,458	114%
South Kingstown	$108,474	16,749	16,283	0.972	31,931	30,639	104.2%	109,903	134%
Tiverton	$92,444	8,814	8,543	0.969	16,359	15,780	103.7%	92,889	113%
Warren	$81,575	5,805	5,633	0.970	11,147	10,611	105.1%	83,157	101%
Warwick	$81,009	47,096	45,830	0.973	82,823	82,672	100.2%	**78,975**	**96%**
West Greenwich	$119,137	3,448	3,345	0.970	6,528	6,135	106.4%	122,982	150%
West Warwick	$71,851	16,646	16,087	0.966	31,012	29,191	106.2%	**73,770**	**90%**
Westerly	$88,289	11,084	10,714	0.967	23,359	22,787	102.5%	87,484	107%
Woonsocket	$54,398	19,511	18,671	0.957	43,240	41,186	105.0%	**54,652**	**67%**

Large drinking water and wastewater systems (serving over 10,000)

Index represents weighted average of municipal data based on flow data or population served. Wastewater population served data from DEM Wastewater Treatment Facility list, available at: http://www.dem.ri.gov/programs/water/wwtf/wwtf-officials.php. Drinking water retail population served data obtained from water systems.

System	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	*Employment Rate*	2020 Population (3)	2010 Population (3)	*Population Change*	**Index**	**Percent of State Index**
Narragansett Bay Commission	$ 66,058			0.962			107%	**68,000**	**83%**
Bucklin Point & Fields Point									
		Pop. Served	*% of Total*						
	Central Falls	19,400	5.58%						
	Cumberland	11,100	3.19%						
	East Providence	8,900	2.56%						
	Lincoln	9,400	2.70%						
	Pawtucket	72,600	20.89%						
	Smithfield	150	0.04%						
	Johnston	15,900	4.57%						
	North Providence	32,100	9.24%						
	Providence	178,000	51.22%						
West Warwick WWTF	$ 73,162			0.967			106%	**74,843**	**91%**
		Pop. Served	*% of Total*						
	Coventry	1,200	3.80%						
	Cranston	200	0.63%						
	East Greenwich	20	0.06%						
	Warwick	930	2.94%						
	West Greenwich	30	0.09%						
	West Warwick	29,200	92.46%						
East Providence WWTF	$ 95,107			0.970			102%	94,896	116%
		Pop. Served	*% of Total*						
	East Providence	31,400	68.11%						
	Barrington	14,700	31.89%						
Newport WWTF	$ 83,999.94			0.972			103%	83,896	102%
		Pop. Served	*% of Total*						
	Middletown	5,200	16.46%						
	Newport	26,400	83.54%						
	System also serves 10,000 at the U.S. Navy Base, not included in this calculation								
South Kingstown WWTF	$ 98,062.60			0.98			97%	93,372	114%
		Pop. Served	*% of Total*						
	Narragansett	13,000	57.02%						
	South Kingstown	9,800	42.98%						
	System also serves 6,600 at the University of RI, not included in this calculation								
Woonsocket WWTF	$ 59,136.16			0.959			105%	**59,614**	**73%**
		Pop. Served	*% of Total*						
	North Smithfield	5,200	11.21%						
	Woonsocket	41,200	88.79%						
	System also serves 5,000 in Massachusetts, not included in this calculation								
Bristol County Water Authority (BCWA)	$ 108,969			0.974			102%	108,989	133%
		Annual Flow (million gal.)	*% of Total*						
	Barrington	347.28144	36.51%						
	Bristol	410.2593	43.13%						
	Warren	193.731252	20.37%						
City of Newport - Water Division	$ 88,307			0.972			103%	88,884	108%
		Pop. Served	*% of Total*						
	Newport	25,163	59.46%						
	Middletown	15,368	36.31%						
	Portsmouth	1,787	4.22%						
	System also serves the Navy, not included in this calcuation. Newport Water does not track data by municipality.								
	Assumptions: system serves all Newport residents, 90% of Middletown residents and 10% of Portsmouth residents								
Kent County Water Authority	$ 94,752			0.970			104%	96,047	116%
		Pop. Served	*% of Total*						
	Coventry	8,621	31.16%						
	West Greenwich	405	1.46%						
	East Greenwich	4,122	14.90%						
	Scituate	568	2.05%						
	North Kingstown	11	0.04%						
	Warwick	4,598	16.62%						
	West Warwick	8,527	30.82%						
	Cranston	813	2.94%						
	Data from Kent County Water Authority Consumer Confidence Water Quality Annual Report 2020								

Pawtucket Water Supply Board	$ 67,986			0.964		108%	**70,872**	**86%**
		Annual Flow (million gal.)	*% of Total*					
	Pawtucket	1,748	65.65%					
	Central Falls	435	16.34%					
	Cumberland	480	18.01%					
Providence Water Supply Board	$ 70,334			0.963		106%	**71,511**	**87%**
		Pop. Served	*% of Total*					
	Providence	183,609	57.39%					
	North Providence	28,327	8.85%					
	Cranston	73,012	22.82%					
	Johnston	27,102	8.47%					
	Smithfield	7,874	2.46%					
Woonsocket Water Department	$ 55,896.09			0.957		105%	**56,228**	**68%**
		Pop. Served	*% of Total*					
	Woonsocket	43,240	96.52%					
	North Smithfield	1,461	3.26%					
	Cumberland	97	0.22%					
	System also serves approximately 100 in Massachusetts, not included in this calcuation							

Small drinking water and wastewater systems (serving 10,000 or less; or in one census tract)

Median household income data can come from an income survey or census tract data. If a system serves multiple census tracts, the census tract with the lowest median household income is used. Employment and population data is from the municipality in which the system is located or, for URI, the census tract.

System	Median Household Income (1)	Labor Force (2)	Resident Employment (2)	*Employment Rate*	2020 Population (3)	2010 Population (3)	*Population Change*	**Index**	**Percent of State Index**
Greenville Water District	$ 89,265	11,771	11,439	0.972	22,118	21,430	103%	89,532	109%
	Small water system serving approximately 9,500 residents in Smithfield. Census tract 127.02 has a MHI of $89,265.								
Kingston Water District	$ 109,028	16,749	16,283	0.972	31,931	30,639	104%	110,464	135%
	Small water system serving approximately 3,968 in South Kingstown. Census tract 514 has a MHI of $109,028.								
North Smithfield Water (Slatersville Public Supply)	$ 92,188	7,197	7,001	0.973	12,588	11,967	105%	94,331	115%
	Small water system serving approximately 3,403 in North Smithfield. Census tract 128.01 has a MHI of $92,188.								
Pascoag Utility District	$ 83,972	9,488	9,193	0.969	16,158	15,955	101%	82,396	100%
	Small water system serving approximately 1,200 customers in Burrillville. Census tract 129 has a MHI of $83,972.								
Smithfield Water Supply Board	$ 54,222	11,771	11,439	0.972	22,118	21,430	103%	**54,384**	**66%**
	Small water system serving approximately 9,460 in Smithfield. Census tract 121.03 has a MHI of $54,222.								
Tiverton Wastewater District	$ 72,632	8,814	8,543	0.969	16,359	15,780	104%	**72,982**	**89%**
	Small wastewater district serving approximately 950 customers in Tiverton. Census tract 416.01 has a MHI of $72,632.								

K. IUP Acronyms and Definitions

Acronyms and Definitions

A/E – Architectural and Engineering Services

AIS – American Iron and Steel

BABA – Build America, Buy America

BMP – Best Management Practice(s)

CA – Certificate of Approval

CE/CatEx – Categorical Exclusion

CSSLP – Community Septic System Loan Program

CWA – Clean Water Act

CWSRF – Clean Water State Revolving Fund, also referred to as the Program

DBE – Disadvantaged Business Enterprise

DWSRF – Drinking Water State Revolving Fund

EC – Emerging contaminants

EPA – United States Environmental Protection Agency

FFATA – Federal Funding Accountability and Transparency Act

FFSR – Final Financial Status Report

FFY – Federal Fiscal Year

FWPCA – Federal Water Pollution Control Act

GPR – Green Project Reserve

IIJA – Infrastructure Investment and Jobs Act

IUP – Intended Use Plan

NBC – Narragansett Bay Commission

NEPA – National Environmental Policy Act

OGD – Office of Grants and Debarment

OWMP – On-Site Wastewater Management Plan

PFAS – perfluoroalkyl and polyfluoroalkyl substances

PPL – Project Priority List

RI Housing – Rhode Island Housing & Mortgage Financing Corporation

RIDEM – Rhode Island Department of Environmental Management

RIIB – Rhode Island Infrastructure Bank, also referred to as the Bank

RIPDES – Rhode Island Pollutant Discharge Elimination System

RIRRC – Rhode Island Resource Recovery Corporation

SDWA – Safe Drinking Water Act

SFY – State Fiscal Year

TA – Technical Assistance

WRRDA – Water Resources Reform and Development Act of 2014

WWTFRF – Wastewater Treatment Facility Resilience Fund

bioretention – a water quality practice that utilizes vegetation and soils to treat urban stormwater runoff by collecting it in shallow depressions, before filtering through an engineered bioretention planting soil media.[1]

Estuary of National Significance – Estuaries of National Significance are designated by the National Estuary Program. The National Estuary Program is run by the EPA and its goal is to protect and restore the water quality and ecological integrity of designated estuaries.[2]

evapotranspiration – the sum of all processes by which water moves from the land surface to the atmosphere via evaporation and transpiration.[3]

green infrastructure/green stormwater infrastructure – a wide array of practices that manage wet weather where it falls and that maintain and restore natural hydrology by infiltrating, evapotranspiration, and harvesting and using stormwater rather than allowing it to be wasted as urban runoff.[4]

nonpoint source pollution – water pollution caused by rainfall or snowmelt moving over and through the ground. As rainfall or snowmelt moves over and through the ground, it picks up and carries away natural and human-made pollutants. These natural and human-made pollutants are then deposited into lakes, rivers, wetlands, coastal waters and ground waters.[5]

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[1] 250-RICR-150-10-8 Stormwater Management, Design, and Installation Rules https://rules.sos.ri.gov/regulations/part/250-150-10-8

[2] Overview of the National Estuary Program https://www.epa.gov/nep/overview-national-estuary-program#nepd

[3] Evapotranspiration and the Water Cycle https://www.usgs.gov/special-topics/water-science-school/science/evapotranspiration-and-water-cycle#overview

[4] Project Solicitation SFY 2026 PPL for the CWSRF https://dem.ri.gov/sites/g/files/xkgbur861/files/2025-01/cwsrf-ppl-solicitation-letter_0.pdf

[5] Basic Information about Nonpoint Source (NPS) Pollution https://www.epa.gov/nps/basic-information-about-nonpoint-source-nps-

riparian buffers – an area along a shoreline, wetland or stream where localities restrict or prohibit development.[6]

Wild and Scenic Rivers – designation from the National Wild and Scenic Rivers System Program. Designated Wild and Scenic Rivers are preserved in their free-flowing condition and are not dammed or otherwise impeded.[7]

pollution#:~:text=NPS%20pollution%20is%20caused%20by,coastal%20waters%20and%20ground%20waters.

[6] Stormwater Best Management Practice: Riparian/Forested Buffer https://www.epa.gov/system/files/documents/2021-11/bmp-riparian-forested-buffer.pdf

[7] What Are Wild and Scenic Rivers? https://www.nps.gov/orgs/1912/what-are-wild-and-scenic-rivers.htm

L. FIFO Implementation Plan

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Rhode Island Infrastructure Bank – Clean Water State Revolving Fund (CWSRF) Program
FIFO Implementation Plan
Submitted to: Sarah Connors and Brendan Mcinerney (via email)
Original Submission Date: June 17, 2025

Revised Date: July 9, 2025

---

1. Introduction

This plan outlines how the Rhode Island Clean Water State Revolving Fund (CWSRF) Program (the "Bank") will manage the First-In, First-Out (FIFO) approach to disbursing federal capitalization grant funds, in response to the EPA's directive to formalize our process. While the Bank is committed to maximizing FIFO compliance and aims to achieve a 25% reduction in Unliquidated Obligations (ULOs) by June 30, 2026, the structure of our current loan funding model presents practical limitations. These challenges are addressed through the procedures outlined in this plan.

---

2. Plan for FIFO Implementation

To fully implement FIFO in the CWSRF program, the Bank will take the following steps:

A. System Improvements

- Enhance our financial tracking system reporting capabilities to ensure FIFO compliance is actively monitored during disbursements.
    - Run newly developed weekly reports that correspond with disbursement submissions to track FIFO adherence.
    - Conduct monthly meetings with EnABLE developers to enhance the disbursement interface, enabling accurate assignment of funds according to FIFO principles.

B. Internal Controls and Procedures

- Regularly review draw schedules to verify timely utilization of funds and ensure schedules are frequently updated.

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- Compliance staff will generate monthly finance reports from the EnABLE system and compare them against loan documents to monitor timely fund usage.
- Compliance staff will present findings to compliance management for review.
- Any variances identified will be communicated to clients to obtain updated information.
- Compliance staff will document all updates and communications in EnABLE, subject to approval by compliance management.
- Compliance management will escalate any unresolved issues related to fund non-utilization to Finance management for further action.

C. Client Submittal of Disbursements

- Review all submitted disbursements to verify adherence to the FIFO methodology.
  - Finance and Compliance staff run reports and present findings to Finance and Compliance management for review of FIFO compliance.
  - Management provides guidance on adjusting funding sources to ensure disbursements comply with FIFO requirements.
  - Management's approval of disbursements and corresponding funding allocations is electronically documented within the EnABLE system. Disbursements will not be processed without this approval.

D. EPA ULO reports

- Staff will compile Unliquidated Obligation (ULO) reports along with EnABLE system data and present the combined analysis to management.
- Management will review the analysis and provide guidance to staff regarding the funding of future disbursements.

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E. Training

- Staff will be introduced to FIFO methods during team meetings.
    - Training will include step-by-step guidance on generating reports in EnABLE and understanding disbursement procedures in relation to FIFO compliance.
    - EnABLE disbursement procedures and EPA program manuals will be provided to all staff upon hiring.
    - Staff are encouraged to participate in EPA training sessions and conferences to enhance their knowledge and skills.

These procedures will be incorporated into our existing disbursement procedures.

- They were implemented effective June 2, 2025, following EPA's approval of the FIFO plan, with disbursement procedures formally updated accordingly.

M. Memo: Comments Received During Public Notice Period

RHODE ISLAND
DEPARTMENT OF ENVIRONMENTAL MANAGEMENT
OFFICE OF WATER RESOURCES
235 Promenade Street, Providence, Rhode Island 02908

July 8, 2025

To: RI Infrastructure Bank

From: Jennifer Paquet, RIDEM CWSRF Program Manager

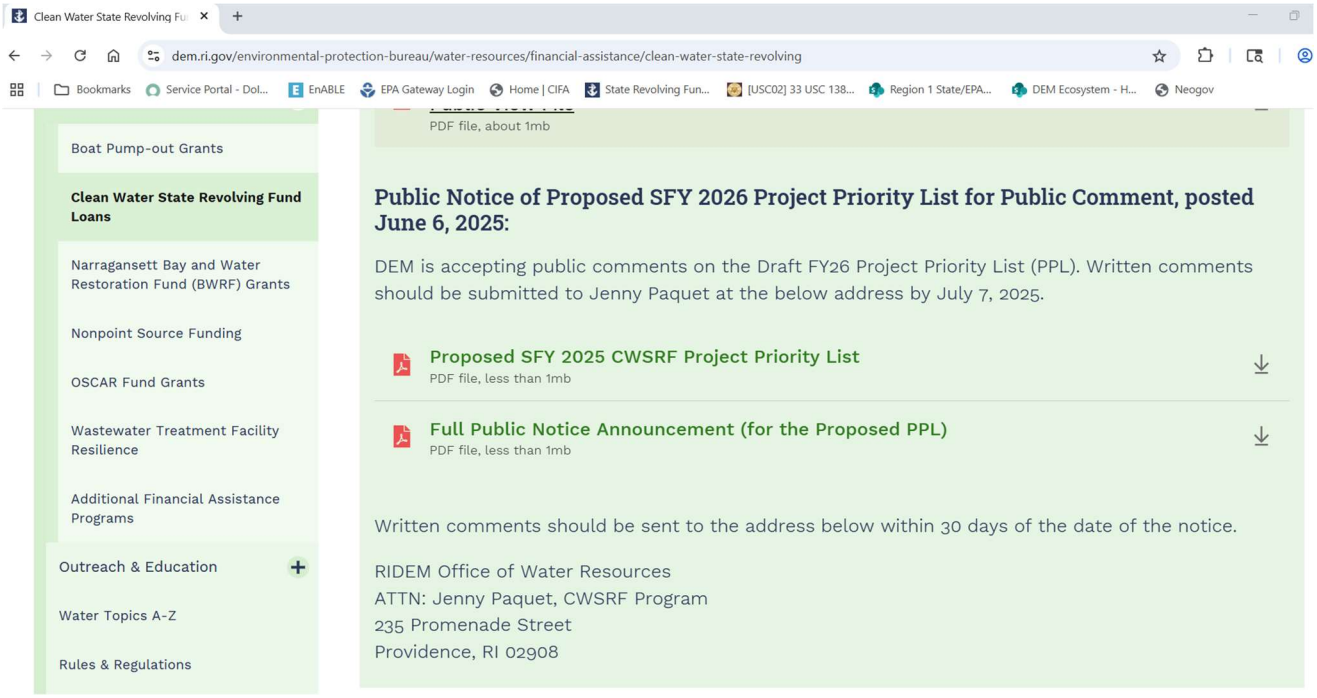
Re: Final SFY 2026 Project Priority List and Comments Received During Public Notice Period

Attached, please find the Final SFY 2026 CWSRF Project Priority List. This list includes indication of potentially "GPR" and the IIJA "Emerging Contaminates" qualifying types of projects.

During the public comment period, I received one inquiry from the Narragansett Bay Commission about a potential project they weren't sure would be eligible for SFR, and so it had not been submitted during the solicitation period. After learning the nature of the project, I determined that it would be eligible for CWSRF funding, and subsequently accepted a PPL project request form from the NBC to add this project to the PPL during the public notice period. The project is Field's Point CSO Tunnel Pump Station Inspection and Cleaning Services.

No other comments, questions, or PPL requests were received during the public comment period, which lasted for 30 days from the date the notice was posted in the Providence Journal. The notice was posted in the Providence Journal, and on the RIDEM CWSRF webpage on June 6, 2025, and the notice period lasted through July 7, 2025. The public notice and draft SFY 2026 PPL were also posted on the RIDEM website's CWSRF program page during this entire time period here: https://dem.ri.gov/environmental-protection-bureau/water-resources/financial-assistance/clean-water-state-revolving

Screenshot on next page:



Please let me know if you have any questions.