September 30, 2009

Dear Interested Parties:

SUBJECT: Drinking Water State Revolving Fund Program
Revisions to “Amendments to the Final FFY2010 Priority System, Intended Use Plan, Project Priority List and Response Document (IUP)”

The Safe Drinking Water Act (SDWA) Amendments of 1996 authorized a Drinking Water State Revolving Fund (DWSRF) to assist publicly and privately owned community water systems and nonprofit noncommunity water systems to achieve or maintain compliance with SDWA requirements and to further the public health objectives of the SDWA.

The FFY2010 DWSRF Final IUP was published on July 16, 2009. The IUP contained the FFY2009 and the FFY2010 schedules. Project sponsors must meet these schedules with all applicable deadlines in order to be considered for financing in November 2009 or 2010.

Several changes have been made to the IUP and the FFY2010 schedule:

1. The deadline for submittal of the commitment letter and planning documents has been extended from Monday, October 5th until Monday, November 2nd, 2009. This change has been made so that the deadlines in the DWSRF program are consistent with those of the Clean Water State Revolving Fund program.

2. Since the current FFY2009/SFY2010 financing cycle will have two loan closings, estimated to be in December 2009 and February 2010, possible 2009 applicants will not know by November 2nd if their project has been approved for a loan in the current funding cycle. Therefore, all 2009 loan applicants that met the FFY2009 deadlines and did not receive funding in the 2009 financing cycle will be placed onto the FFY2010 Project Priority List. Please note that the applicant must submit a new loan application by March 1, 2010. Projects will be reviewed and financed in accordance with the Final FFY 2010 IUP.

3. The New Jersey Department of Environmental Protection (Department) will establish a Green Project Reserve (GPR) equal to a minimum of 20% of the State’s FFY2010 allocation if the FFY2010 DWSRF federal appropriation includes language requiring such action. If the Department determines that there are insufficient applications or there are deficiencies in
the applications for projects eligible to be financed through the GPR, then the funds may be allocated to finance other DWSRF projects in ranked order in the FFY2010/SFY2011 financing cycle. Projects or portion of projects that qualify for the GPR are eligible for the smart growth financing package, with 75% of the allowable costs financed with a zero% interest Department loan and a 25% market rate Environmental Infrastructure Trust loan.

Should you have any questions regarding the IUP or the DWSRF program, please contact Philip Royer or Josephine Craver at the Bureau of Safe Drinking Water Technical Assistance at (609) 292-5550 or fax (609) 292-1654.

If you would like a copy of the IUP, you may contact the DWSRF program or obtain a copy from our website, http://www.state.nj.us/dep/watersupply/loanprog.htm.

Very truly yours,

Sandra Krietman, Chief
Bureau of Safe Drinking Water
Technical Assistance

C: Community Water Supply Systems
   Nonprofit Noncommunity Water Supply Systems
   County and Municipal Health Authorities
   Environmental Groups
   Engineering Consultants
   USEPA Region II, Bruce Kiselica, Chief, Drinking Water Section
   USEPA Region II, Stephen R. Vida, SRF Team Leader
   USEPA Region II, Alicia Suarez, DWSRF Coordinator
   Drinking Water Quality Institute, Mark Robson, Chairman
   USDA, NJ Rural Development, Kenneth C. Drewes, Director, Business & Community Programs
   NJAWWA, Lindsey Olson, Section Chair
   NJ Water Association, Rick Howlett, Executive Director
   Water Supply Advisory Council, Eugene Golub, Chairman
   NJ Office of Smart Growth, Ben Spinelli, Executive Director
   NJ Dept. of Community Affairs, Joseph Valenti, Bureau Chief, Local Government Services
   NJ Board of Public Utilities, Maria Moran, Director, Division of Water and Wastewater
   NJ Economic Development Authority, John Rosenfield, Director, Program Services
   NJ Housing and Mortgage Finance Agency, Jerome Keelen, Director, Single Family Programs
   New Jersey Redevelopment Authority, Leslie Anderson, Executive Director
   Dennis Hart, Executive Director, NJ Environmental Infrastructure Trust
   Gary Sondermeyer, Director of Operations, NJDEP
   Nancy Wittenberg, Assistant Commissioner, Environmental Regulation, NJDEP
   Scott Brubaker, Assistant Commissioner, Land Use Management, NJDEP
   E. David Barth, Director, Management and Budget, NJDEP
   Michele Putnam, Director, Division of Water Supply, NJDEP
   Stanley Cach, Assistant Director, Municipal Finance & Construction Element, NJDEP