

Texas Water Development Board
Clean Water State Revolving Fund (CWSRF)
Project Information Form (PIF)
Guidelines

Introduction

The Texas Water Development Board (TWDB) appreciates your interest in the Clean Water State Revolving Fund (CWSRF) program. The CWSRF program assists communities by providing below market rate financing for a wide range of wastewater, stormwater, and pollution control projects. We look forward to your participation.

The Infrastructure Investment and Jobs Act appropriated additional funds for the State Revolving Fund programs, including special appropriations that will be available for “all eligible activities” in the SFY 2023 Intended Use Plan, along with other funding restricted to special eligibilities such as emerging contaminants. **At this time we anticipate using all or at least a substantial portion of the additional funding provided in the first year for “all eligible activities” to assist proposed projects submitted by the March 4, 2022 due date.**

PIF Submittal Deadline for Initial IUP and Requirements

Annually, the TWDB requests entities to submit new PIFs, along with updates to projects on the current IUP, to be listed in the initial SFY 2023 IUP. New submissions and updates received by the deadline will be reviewed and rated for the initial SFY 2023 IUP.

The deadline for submitting a PIF for inclusion in the initial SFY 2023 IUP is: [March 4, 2022](#).

For all PIF submission, both for inclusion in the initial IUP and for addition to the Project Priority List after the IUP is adopted, entities must submit a complete PIF either using the online system or Word version, undergo public review, and then be included on the CWSRF Intended Use Plan Project Priority List. An applicant may not submit an application unless it has received an invitation from TWDB.

To obtain a PIF or Updates, please visit the following link:

<http://www.twdb.texas.gov/financial/programs/pif.asp>

Update Forms:

To ensure we have current information in the SFY 2023 IUP, **ALL** entities must update any PIF submitted in a previous funding cycle to be included in the SFY 2023 Intended Use Plan. **At a minimum, the entity must update the readiness to proceed information, and if seeking disadvantaged community eligibility, the socioeconomic economic census data and utility rate information.**

An entity may update or amend their current project utilizing the Update Forms found here:

<http://www.twdb.texas.gov/financial/programs/pif.asp>

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Submission Options

Online Loan Application:

To submit your PIF or Financial Assistance Application online, please utilize our “Online Loan Application (OLA)” System:

<http://www.twdb.texas.gov/financial/applications/references.asp>

Email:

CWIUPsubmissions@twdb.texas.gov (File Size Must be <100MB)

Web File Transfer:

<https://onedrive.live.com/about/en-us/signin/>

After files have been uploaded, send the notice to CWIUPsubmissions@twdb.texas.gov.

How Projects Are Rated

Each submitted project is rated by TWDB and staff based on the following:

- Publicly Owned Treatment Works (POTW) and other projects eligible under Federal Water Pollution Control Act Sections 603(c)(4)-(11) are rated based on capacity factors, environmental compliance factors, service to unserved areas, innovative or alternative technology factors, impact on stream segments, recycling/reuse, providing technical assistance, and regional service factors.
- Non-Point Source (NPS) projects are rated based on public health factors, impact on groundwater, implementation of watershed protection plans, and impaired water body factors.
- Estuary management projects are rated on implementation of Coastal Impact Assistance Program objectives.

All projects are rated on water conservation, implementation of water plans, energy efficiency, asset management, and affordability factors.

Each rated project is placed on a priority ranked list, which the TWDB uses to develop the IUP and to establish a Project Priority List.

Program Eligibilities

Who Can Apply:

- Wastewater treatment management agencies, including interstate agencies and water supply corporations that have been designated and approved as a management agency in the Texas Water Quality Management Plan
- Cities, commissions, counties, districts, river authorities, or other public bodies created by or pursuant to state law that have authority to dispose of sewage, industrial waste, or other waste
- Intermunicipal, interstate, or State agencies
- Authorized Indian tribal organizations
- Private entities for nonpoint source projects or estuary projects only

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(A water supply corporation that has been designated and approved as a management agency in the Texas Water Quality Management Plan is considered a “municipality” and is therefore eligible for funding for Publicly Owned Treatment Works and other activities.)

Examples of Eligible Projects:

CWSRF program funding can be used for the planning, acquisition, design, and construction of projects to:

- Create or improve wastewater treatment facilities, reuse/recycle facilities, and collection systems
- Purchase existing wastewater treatment plants
- Control nonpoint source pollution, including acquisition of conservation easements and permanent or long-term acquisition of water rights by entities eligible under state law that will result in a substantial public water quality benefit
- Manage estuaries
- Implement green projects (pursuant to EPA guidance)
- Pay for other costs necessary to secure or issue debt
- Purchase land necessary for construction on an eligible project
- Manage, reduce, treat, or recapture stormwater or subsurface drainage water
- Reduce the demand for publicly owned treatment works capacity through water conservation, efficiency, or reuse (for a municipality or intermunicipal, interstate, or State agency only)
- Develop and implement watershed pilot projects
- Reduce the energy consumption needs for publicly owned treatment works (for a municipality or intermunicipal, interstate, or State agency only)
- Re-use or recycle wastewater, stormwater, or subsurface drainage water
- Increase the security of publicly owned treatment works
- Water meters as a water conservation measure (to address, for example, water loss if a utility’s total water loss meets or exceeds the threshold established in TWDB rules.)

Examples of Ineligible Projects:

- Projects primarily intended to facilitate growth
- Publicly Owned Treatment Works (POTW) (as defined in Section 212) projects for systems that are owned by a private entity or any other entity that is not considered a municipality or intermunicipal, interstate, or State agency
- Treatment works owned or operated by a federal agency
- Excavation, testing, remediation, or disposal of hazardous, contaminated, or potentially contaminated material

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Funding Availability

Funding capacity and additional subsidization allocations are determined on an annual basis and are detailed in the Intended Use Plan.

Additional subsidization is anticipated to be available in the form of principal forgiveness for the following:

Disadvantaged Communities - the community must meet the CWSRF program's affordability criteria based on income, unemployment rates, and population trends.

Disadvantaged Community – Small / Rural only - An entity qualified as a disadvantaged community and that additionally meets the definition of either a small community or a rural project.

Green Projects – Entities may receive subsidized Green principal forgiveness if their project has elements that are considered green and the cost of the green portion of their project is at least 30% of the total project cost. Principal forgiveness of up to 15% of the total eligible green component costs funded through the CWSRF program may be available, up to a maximum of \$1,000,000.

Urgent Need – to address situations that require immediate attention to protect public health and safety. They may result from (1) a catastrophic natural event or accident resulting in the loss of service to over 20 percent of the wastewater service connections; (2) situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the wastewater service connections; (3) situations that require immediate attention to address a substantial, imminent public health issue affecting at least 20 percent of the wastewater service provided to customers from severe flood damage that occurred during a Governor or Presidential declared natural disaster; and (4) other situations as established by TWDB guidelines. (Note: This is the same funding as Emergency Relief in the Texas Administrative Code, 31 TAC 375).

Emergency Preparedness – for Severe Weather – for the preparation of an emergency preparedness evaluation/audit plan. Entities could receive principal forgiveness to determine compliance with statutory and regulatory standards of emergency operations that directly affect operation of an eligible wastewater system during an extended power outage from severe weather that impacts the system. The maximum amount available for an eligible wastewater system is \$75,000. The evaluation/audit must be submitted to TWDB.

Asset Management

Assistance is anticipated to be available to encourage and promote the use of asset management tools:

Asset Management (Preparation of Asset Management tools) – Bonds/Loans - An eligible entity, not just small system, may be eligible for up to \$100,000 with an interest rate of zero percent to prepare all of the Asset Management / Financial Planning tools required in the current Asset Management Program for Small Systems (AMPSS) initiative's Scope of Work and deliverables. The entity's asset management program may include enhancements or tools that extend beyond the minimum requirements of the AMPSS program's Scope of Work. Allocation of any available funding at an interest rate of zero percent for this option would occur concurrently with the allocation of any other funding for the project.

Asset Management – (Implementation of Asset Management Plans) - Bonds/Loans - A small system eligible under AMPSS may receive up to \$500,000 at zero percent (0%) for a portion of the total TWDB funding for a project if it has implemented substantially all of the Asset Management / Financial Planning tools required in the current AMPSS initiative's Scope of Work and deliverables and the proposed project is included in its

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current plan. The small system's asset management program may include enhancements or tools that extend beyond the minimum requirements of the AMPSS initiative's Scope of Work.

Disadvantaged Community Eligibility

A disadvantaged community is a community that meets the CWSRF's affordability criteria based on income, unemployment rates, and population trends. The entity's Annual Median Household Income (AMHI) of the entire or portion of the service area must be less than or equal to 75% of the state's AMHI as listed in the most recent available American Community Survey (ACS) 5-Year Estimates and meet the Household Cost Factor thresholds.

Disadvantaged community status may be documented using either Census data or a survey. An entity must submit documentation that substantiates the inadequate or absent census data that led to the need to conduct a survey. All entities must obtain prior approval to use survey data instead of the most recently available American Community Survey data. Previously completed surveys, including surveys completed for funding from other sources, will be rejected if they do not follow survey methods listed in the latest version of the [Socioeconomic Survey Guidelines \(WRD-285\)](#). **An approved survey may be considered valid for the five (5) year period (60 months) prior to the date the TWDB receives the Project Information Form.**

The eligible level of principal forgiveness for a project is based on the difference between the calculated total Household Cost Factor (HCF) and the minimum HCF (the "base") of 1% (if only water or sewer service is provided) and 2% (if both water and sewer services are provided) as shown in the chart below:

HCF Difference	Principal Forgiveness as a % of CWSRF-funded project costs remaining after subtracting other CWSRF principal forgiveness
$\geq 0\%$ and $< 1.5\%$	30%
$\geq 1.5\%$ and $< 3\%$	50%
$\geq 3\%$	70%

If using the Word version of the PIF instead of the Online Application, a Disadvantaged Community Worksheet must be submitted to be considered for this funding option.

American Community Survey (ACS) 5-Year Estimates to use for SFY 2022 and SFY 2023:

For SFY 2022, use the 2015 - 2019 ACS 5-year estimates (and for the calculating population adjustment for the Household Cost Factor, compare it to the population found in the 2011 - 2015 ACS 5-year estimates.)

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For SFY 2023, use the 2015 - 2019 ACS 5-year estimates (and for the calculating population adjustment for the Household Cost Factor, compare it to the population found in the 2011 - 2015 ACS 5-year estimates.)

A spreadsheet containing this information may be found here: [Census Data Search \(WRD-284\)](#)

Viability and Feasibility of Projects

A project must demonstrate to the TWDB that it is viable, feasible, and sustainable prior to being invited to submit an application and prior to receiving a commitment for any funding option, including principal forgiveness, for the acquisition, design or construction phases of the project. A project may receive funds for the planning phase to assess the viability and feasibility of a project, including funds to prepare an asset management plan.

Readiness to Proceed

The TWDB defines readiness to proceed to construction as projects having no significant permitting, land acquisition, social, contractual, environmental, engineering or financial issues that would keep the project from proceeding in a timely manner to construction. Readiness to proceed will be used in determining which projects will receive an invitation and which project phases are eligible for funding during the fiscal year.

CWSRF Program Information

While an overview of certain aspects of the CWSRF program is included in this guidance document, detailed information on the CWSRF program may be found in the most current Intended Use Plan. You may access the Intended Use Plan on the TWDB website at this location: www.twdb.texas.gov/financial/programs/CWSRF/

Contact Information:

If you have any questions after reading this guidance, please contact, Issa McDaniel, at 512-463-1706 or Issa.McDaniel@twdb.texas.gov