

## Clean Water State Revolving Fund Federal Requirements

The Clean Water State Revolving Fund (CWSRF) program was authorized by the U.S. Congress through Title VI of the Clean Water Act (CWA) as amended in 1987. The Act authorizes the Environmental Protection Agency (EPA) to provide federal funds to the states to capitalize State Revolving Funds (SRF). The SRF are established and managed by the states and the states must provide a 20 percent match for the federal capitalization grants.

SRF has replaced the old Construction Grants Program as the major funding source for upgrading community wastewater systems. Even though certain federal requirements have been eliminated in the SRF Program, there are still a number of them that must be complied with. These fall within two categories, equivalency requirements and "cross-cutting" requirements. The equivalency category consists of those requirements that were carried over from the Construction Grants Program and apply mostly to the technical and engineering aspects of the SRF program.

### EQUIVALENCY REQUIREMENTS OF THE SRF PROGRAM

Title VI of the Clean Water Act lists 16 specific Title II requirements which must be met for section 212 projects funded in an amount equal to the capitalization grants. These 16 are 201(b), 201(g)(1), 201(g)(2), 201(g)(3), 201(g)(5), 201(g)(6), 201(n)(1), 201(o), 204(a)(1), 204(a)(2), 204(b)(1), 204(d)(2), 211, 218, 511(c)(1), and 513.

- **Section 201(b)**- Requires that projects apply best practicable waste treatment technology.
- **Section 201(g)(1)**- Limits assistance to projects for secondary treatment, advanced treatment, or any cost-effective alternative, new interceptors and appurtenances, and infiltration-inflow correction. Allows up to 20 percent of the yearly allotment for other projects within the definition of treatment works in section 212(2).
- **Section 201(g)(2)**- Requires that alternative technologies be considered in project design.
- **Section 201(g)(3)**- Requires the applicant to show that the related sewer collection system is not subject to excessive infiltration.
- **Section 201(g)(5)**- Requires that applicants study innovative and alternative treatment technologies and take into account opportunities to construct revenue producing facilities and to make more efficient uses of energy and resources.
- **Section 201(g)(6)**- Requires that the applicant analyze the potential recreation and open space opportunities in the planning of the proposed facility.
- **Section 201(n)(1)**- Provides that funds under section 205 may be used for water quality problems due to discharges of combined sewer overflows, which are not otherwise eligible, if such discharges are a major priority in a state.
- **Section 201(o)**- Calls on the state to encourage and assist communities in the development of capital financing plans
- **Section 204(a)(1) and (2)**- Requires that treatment works projects be included in plans developed under section 208 and 303(e).

- **Section 204(b)(1)**- Requires communities to develop user charge systems and to have the legal, institutional, managerial, and financial capability to construct, operate, and maintain the treatment works.
- **Section 204(d)(2)**- Requires that, one year after the date of completion of construction and initiation of operation the owner/operator of the treatment works must certify that the facility meets design specifications and effluent limitations included in its permit.
- **Section 211**- Provides that major rehabilitation or replacement of collectors is not eligible under the Governor's 20 percent discretionary authority, unless the collector is needed to assure the total integrity of the treatment works or that, for a new collector, adequate capacity exists at the treatment facility.
- **Section 218**- Assures that treatment systems are cost-effective and requires that projects of over \$10 million include a value-engineering review.
- **Section 511(c)(1)**- Applies the Environmental Impact Statement requirement of the National Environmental Policy Act to treatment projects.
- **Section 513**- Applies Davis-Bacon labor wage provisions to treatment works construction.

## **CROSS CUTTING AUTHORITIES**

The “cross-cutting” requirements may be contained in other federal laws, Executive Orders or government-wide policy statements and generally apply broadly to a wide range of federal financial assistance programs. These cross-cutting federal authorities can be divided into three groups. First, several environmental laws and executive orders relating to such things as preservation of historical and archaeological objects, endangered species, wetlands, agricultural land and the like, apply to construction activities. Second, are requirements such as minority and women’s business enterprise participation goals and equal employment opportunity rules that can be classified as social authorities. Third, are cross-cutting authorities, such as the prohibition against entering into contracts with debarred or suspended firms that directly regulate the expenditure of federal funds.

## **ENVIRONMENTAL**

- Archeological and Historic Preservation Act
- Clean Air Act
- Endangered Species Act
- Executive Order 11593- Protection and Enhancement of the Cultural Environment
- Executive Order 11988- Floodplain Management
- Executive Order 11990- Protection of Wetlands
- Farmland Protection Policy Act
- Fish and Wildlife Coordination Act
- National Historic Preservation Act
- Safe Drinking Water Act
- Wild and Scenic Rivers Act

## **ECONOMIC**

- Demonstration Cities and Metropolitan Development Act
- Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738-Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans

### **SOCIAL**

- Age Discrimination Act
- Civil Rights Act of 1964
- Executive Order 11246- Equal Employment Opportunity
- Executive Orders 11625 and 12138- Women's and Minority Business Enterprises
- Section 13 of PL 92-500; Prohibition against sex discrimination under the Federal Water Pollution Control Act

### **MISCELLANEOUS AUTHORITY**

- Uniform Relocation and Real Property Acquisition Policies Act
- Executive Order 12549- Debarment and Suspension