



Small System Capacity and Resiliency Program (SCRP) Tier II Grant Application Period Now Open

The Vermont Bond Bank (VBB) is now accepting applications for Small System Capacity and Resiliency Program (SCRP) Tier II grants to small drinking water systems at risk of failure.

The Bond Bank anticipates awarding approximately \$5.7 million in Tier II grants over time, with \$1 million available in the first round. SCRCP was created with a State of Vermont American Rescue Plan Act (ARPA) grant in collaboration with the Vermont Department of Environmental Conservation (DEC). All public Vermont drinking water systems serving 10,000 or fewer (largely residential) customers are eligible.

Applications for the initial round of SCRCP Tier II grants are due December 2, 2024, by the end of the day. Awards will be announced in late January. Funds will be immediately available for requisition.

SCRCP Tier II Overview

The intent of SCRCP Tier II is to provide small drinking water systems with grants for the replacement of infrastructure at risk of failure. Please review the following tables for details regarding eligibility, requirements, terms, and prioritization criteria.

Eligible Activities	Requirements
<ul style="list-style-type: none">▪ Preliminary engineering evaluations▪ Engineering design and bid specification▪ Permitting▪ Construction for small drinking water systems at risk of failure, serving largely residential users▪ Activities that comport with the Drinking Water State Revolving Loan Fund's eligible project types as outlined in the "DWSRF Handbook."▪ Projects completed since 7/1/2023 as well as projects yet to be completed	<ul style="list-style-type: none">▪ Recipient must be a Vermont governmental unit serving 10,000 or fewer (largely residential) customers with drinking water▪ Requirement for all construction employees working on the project to receive prevailing wage unless otherwise required to comply with Davis-Bacon Act through other funding/financing sources used▪ Preference but not a requirement for domestic content under 2 CFR Part 200; borrower may have requirements under other funding/financing sources▪ Recipient must own and operate projects throughout their useful life

SCRIP Tier II Terms (Initial 2024 Funding Round)	
Amount	Up to \$250k
Eligible Applicants	Vermont governmental units serving 10,000 or fewer (largely residential) customers with drinking water
Eligible Uses	Planning for and replacement of drinking water infrastructure in compliance with the EPA's DWSRF handbook
Approval / Review	Subject to Bond Bank review – inc. Bond Bank consulting engineer review to verify conformity with the DWSRF handbook
Flow of Funds	Requisition requests with invoices reviewed and approved by Bond Bank and/or consulting engineer prior to release
Reporting	Project completion report describing project outcomes and explaining the financial and managerial sustainability plan required. Additional updates (financial, progress, etc.) may also be required upon request of the Bond Bank.

Prioritization of Available Funding

The Bond Bank anticipates oversubscription and will make every effort to provide meaningful funding to the greatest number of communities and individuals – with the following criteria used to inform the prioritization process. The Bond Bank reserves the right to modify these criteria to advance program objectives.

Criteria	Description	Weight
System Vulnerability	Ranking on the State of VT Community Index	25%
Household Rate Burden	Combined household cost of total utility rate burden	25%
Commitment to Sustainability	Commitment to sound financial and managerial planning	25%
System Size	Smaller systems will receive greater consideration	25%

Application Timeline

Application Webinar	October 23, 2024 @ 1:00pm - register here
Application Due Date	December 2, 2024 (end of day) – apply here
Award Notification	late January
Funds Available for Requisition	late January

For additional information, please contact Vermont Bond Bank Loan Officer Ken Linge at ken@vtbondagency.org