



Clean Water Fund Memorandum (2016-001)

Eligibility of Permit Costs on Projects funded through the Connecticut Clean Water Fund

I. PURPOSE

To provide direction on eligible permit costs for projects funded through the Connecticut Clean Water Fund (CWF).

II. GOVERNING STATUTE OR REGULATION

The purpose of the Connecticut CWF program is to fund capital costs necessary to construct municipal pollution abatement facilities.

Eligible construction costs include those related to land development, as discussed in the Regulations of the Connecticut State Agencies (RCSA) Sections 22a-482-4(a)(7) and 22a-482-4(c)(1) and (2). Land use permits are necessary for project construction, and are eligible for grant and loan under the CWF program.

Conversely, RCSA Section 22a-482-4(b) indicates that “Costs which are not necessary for the construction of a pollution abatement facility are unallowable.” Routine operation and maintenance (O&M) costs of said facilities are ineligible, in accordance with RCSA Sections 22a-482-4(b)(8) and (14). Among these ineligible O&M costs are operational permits, in accordance with RCSA Section 22a-482-4(b)(17).

III. ELIGIBILITY

It follows that permit costs related to land development in preparation for construction of a CWF project are eligible. The costs associated with routine permits necessary to properly operate and maintain facilities are ineligible.

The conditions contained in this memorandum are effective for all CWF construction projects which are active on or after the date of the memorandum.

A. Examples of eligible land development permits include the following:

1. Water and land use licenses, permits, and certificates, such as:
 - a) Inland Wetlands and Watercourses;
 - b) Army Corps of Engineers Section 401 Water Quality;
 - c) Flood Management;

- d) Stormwater and Dewatering Wastewaters from Construction Activities; and
 - e) Coastal Structures, Dredging and Fill, and Tidal Wetlands.
2. Transportation permits, including:
- a) Connecticut Department of Transportation (ConnDOT);
 - b) Amtrak; and
 - c) Federal Aviation Administration (FAA)

B. Examples of ineligible permits include the following:

- 1. Water usage and water discharge operational permits (e.g., NPDES wastewater, stormwater);
- 2. Air emissions operational permits;
- 3. Building permits – Note that building permit application costs will only be considered as eligible upon documentation that all other municipal projects (e.g., schools, public safety buildings) have been also required to pay these costs.

IV. DEFINITIONS

CGS: Connecticut General Statutes

ConnDOT: Connecticut Department of Transportation

FAA: Federal Aviation Administration

CWF: Connecticut Clean Water Fund (CGS 22a-475 through 482)

DEEP: Department of Energy and Environmental Protection

Municipal: Refers to any “municipality” eligible for the CWF, as defined in Section 22a-475 of the CGS.

NPDES: National Pollutant Discharge Elimination System

O&M: Operation and maintenance

Pollution abatement facility: Defined in Section 22a-475 of the CGS and is synonymous with the terms project, treatment works, treatment system, and treatment facility.

RCSA: Regulations of the Connecticut State Agencies

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