



Alabama Clean Water and Drinking Water State Revolving Fund Programs

Alabama Department of Environmental Management
Permits & Services Division

What is the State Revolving Fund?

The CleanWater State Revolving Fund (CWSRF) and the Drinking Water State Revolving Fund (DWSRF) are low interest loan programs intended to finance public water and wastewater infrastructure improvements and stormwater/nonpoint source projects in Alabama.

The Alabama Department of Environmental Management (ADEM) administers the CWSRF and DWSRF, performs the required technical/environmental reviews of projects, and disburses funds to recipients.

What are the benefits of an SRF loan?

Among the many benefits of the SRF are:

- The SRF has a loan interest rate 1-1.5% less than the prevailing municipal bond rate available to "AAA" rated municipalities;
- Fixed interest rate with a 20-year payback;
- Loan repayment does not begin until construction completion date (capitalized interest accrues);

What projects qualify for funding?

Projects that strengthen compliance with Federal and State regulations and/or enhance protection of public health are eligible for consideration to receive an SRF loan. If a project qualifies, the engineering, inspection, and construction costs are eligible for reimbursement. Among the projects that qualify for funding are:

Wastewater Projects

- Publicly owned water or wastewater treatment works
- Sewer rehabilitation
- Interceptors, collectors, and pumping stations
- Decentralized wastewater treatment

Drinking Water Projects

- Drinking water storage facilities
- New/rehabilitated water source wells
- Water transmission/distribution mains
- Consolidation/system interconnection



Stormwater/Nonpoint Source Projects

- Streambank restoration
- Green roofs
- Permeable pavements
- Rain gardens and bioinfiltration practices

Drinking water projects that are primarily intended to serve future growth are not eligible.

Applicants are required to provide detailed financial information and audits, along with sufficient engineering/environmental information to clear an environmental review process.

Construction procurement is reviewed and approved by ADEM prior to award of contracts.

Who can apply for an SRF loan?

Any local governmental unit, including water boards and authorities, may apply for SRF financing. An ability to repay must be substantiated along with meeting other specified standards.

How does my organization apply?

The first step towards receiving SRF assistance is to submit a preapplication form in order to be listed on the Department's Project Priority List (PPL). The PPL is a component of the SRF Intended Use Plan, which is updated up to 4 times per year. Once the project is listed in the fundable portion of the PPL, and a full application has been received, the Department will process the application and begin preparing loan documents.

For more information on the Alabama SRF program or to receive an application package, please call or write:

SRF Section

Alabama Department of Environmental Management
Post Office Box 301463
Montgomery, AL 36130-1463
Telephone: (334) 271-7913
Email: jwd@adem.state.al.us
adem.alabama.gov