

Governor and Vermont Bond Bank Launch ARPA-Funded \$6.8M Rural Water Infrastructure Program

June 04, 2024



Montpelier, Vt. – Governor Phil Scott and the Department of Environmental Conservation (DEC) today announced an award of \$6.8 million to the Vermont Bond Bank. This American Rescue Plan Act (ARPA) funding will launch the Small System Capacity and Resiliency Program. The Vermont Bond Bank will provide small, primarily rural municipalities with awards to restore flood-impacted and repair other drinking water and wastewater systems.

“Helping communities recover from last summer’s flood continues to be a priority for me and my team,” said Governor Scott. “This ARPA funded program will help ease the financial burden for municipalities to address water and wastewater systems that are in need of repair, making them more resilient for years to come.”

“This grant will allow us to continue our work supporting flood impacted municipalities by minimizing borrowing costs as they rebuild,” said Michael Gaughan, Executive Director of Vermont Bond Bank. “It will also allow us to deepen our mission by unlocking new financial resources for small water systems. We’re thankful for this partnership with the State of Vermont that builds on our existing work with the state revolving loan fund.”

The Vermont Bond Bank will provide awards to small municipalities to help repair, upgrade, or replace existing water and wastewater systems that are at risk of failure or have failed. Failures may be due to the July 2023 flooding or age-related defects.

The Small System Capacity and Resiliency Program will support communities through two funding tiers. Tier one will be the highest priority for these funds. It will include partially-forgivable, zero-interest loans for flood-impacted facilities. Tier two will provide grants or forgivable loans, largely for small rural drinking water systems.

DEC and the Vermont Bond Bank will announce more details about this funding, including eligibility and how to apply, during June 2024. Learn more about the Small System Capacity and Resiliency Program at vtbondbank.org.

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