

COLLECTION SYSTEM IMPROVEMENTS

STATE PROGRAM: Colorado Water Resources and Power Development Authority

ASSISTANCE RECIPIENT: Town of Yampa

ASSISTANCE AMOUNT: \$1.32M



PROJECT DESCRIPTION

The Town of Yampa, located in Northwestern Colorado, wanted to improve their wastewater treatment works but were dismayed by the potential rate increase associated with their project cost estimates. The Town worked closely with the State to assess project alternatives. They decided to approach improvements to the collection system and the treatment system upgrades as separate projects and seek separate funding sources for each.

The Town determined that the CWSRF would fund the collection system improvements and USDA Rural Development would fund the replacement of the Town's lagoon system with a mechanical treatment plant. This enabled the Town to leverage principal forgiveness opportunities available from both funding sources. Additionally, by splitting the project in two, the Town was able to apply for two state grants for \$1 million each from the Colorado Department of Local Affairs. The Town also developed a business case to establish their status as a disadvantaged community, which qualified the community for a design and engineering assistance grant. The Town is still developing the lagoon replacement project plan with USDA Rural Development. The SRF funded collection system project will cost \$2.3 million, \$1.7 million of which is likely eligible for principal forgiveness, with a repayable amount of \$500,000 – avoiding further user rate increases for the Town.

To read more about this case study, please visit <https://www.epa.gov/system/files/documents/2024-04/cwsrf-pisces-2023-recognition-program.pdf>.