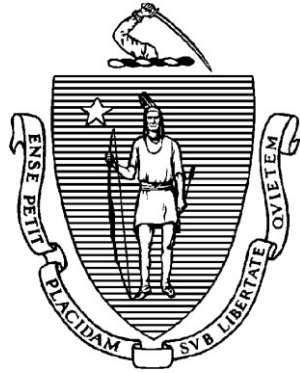


**The Massachusetts Clean Water Trust  
and  
The Massachusetts Department of Environmental Protection**



**Application for Financial Assistance  
State Revolving Fund**

**THE COMMUNITY SEPTIC MANAGEMENT PROGRAM**

May 2026

**Department of Environmental Protection  
Bureau of Water Resources  
100 Cambridge Street Suite 900  
Boston, Massachusetts 02114**

## INTRODUCTION

This document provides the instructions, and additional information regarding the supporting documentation required for submission with the Application for:

Community Septic Management Program (CSMP)

Failing septic systems are a leading source of groundwater pollution causing contaminated drinking water, tainted shellfish beds, weed-choked lakes and ponds, and polluted beaches. The Massachusetts Department of Environmental Protection (MassDEP) administers regulations under 310 CMR 15.00, Title 5 of the State Environmental Code, which regulates the design, installation and management of onsite wastewater disposal systems to protect the health of Massachusetts citizens and the state's natural resources.

Title 5 ([Septic Systems Title V](#)) requires inspection of private onsite wastewater disposal systems before properties are sold, expanded, or undergo a change in use. For purposes of this application, all onsite wastewater disposal systems, including septic systems and cesspools, are referred to as septic systems or systems. Systems deemed to be "failed" under Title 5 are required to be repaired, replaced, or upgraded to protect public health and the environment.

The replacement of a failed septic system is an expensive undertaking. Recognizing the financial burden this places on homeowners, the Community Septic Management Program (CSMP) was created by the Legislature in 1995 to assist homeowners to defray the cost of a septic system repair or replacement. By using the State Revolving Fund (SRF) loans from the Massachusetts Clean Water Trust (the Trust), communities can provide betterment loans to assist homeowners who must address septic system failures. Since 1996, the CSMP has provided low-interest loans (currently 2%) to communities resulting in improvements to more than 5,000 septic systems. The CSMP is implemented at the local level, for additional information visit MassDEP's website for [Community Septic Management Program](#).

Applicants should note that neither the filing of an application nor issuance by the Massachusetts Department of Environmental Protection (MassDEP) of a Project Approval Certificate (PAC) constitutes a binding commitment of the Massachusetts Clean Water Trust (Trust) or MassDEP to make a loan and/or award a grant. Binding commitments, subject to the availability of funds, will be issued by the Trust after review of the financial information contained in the application.

## INFORMATION FOR HOMEOWNERS

The **Community Septic Management Program (CSMP)** provides funding **only to municipalities**, not directly to individual homeowners. These funds are used by municipalities to establish local betterment loan programs. Please contact your **local Board of Health** to see if your town participates in the CSMP. If not, you may encourage your town to explore the [CSMP Loan Program](#).

Homeowners may also be eligible for assistance through the [MassHousing Septic Repair Loan Program](#). MassHousing can help determine eligibility, guide you through the application process, and connect you with participating lenders.

**Please note that this application is subject to revision.**

## GENERAL INFORMATION

Please complete all parts of this application on the eSRF Portal, available on the MassDEP [State Revolving Fund Applications & Forms](#) webpage.

**Use of This Application** - This application is to request for loan assistance by the local governmental unit (LGU) for Community Septic Management Program (CSMP).

All CSMP project applications are accepted on a rolling basis while funding is available. For rolling applications, a Project Evaluation Form (PEF) is not necessary, and these applications are categorized as “**NON-IUP**” (Non-Intended Use Plan) Projects.

**General Eligibility** - Any municipality is eligible to participate. The CSMP is intended to support residential and not commercial properties. A CSMP loan is predicated upon a determination by the local Board of Health that the onsite system is in failure. That failed system may be replaced or repaired with proceeds from a CSMP loan.

Alternatively, if there is a nearby sewer line with capacity, a loan may be taken to finance the connection of the property to the sewer line. To receive a CSMP loan, a property owner must be willing to accept a betterment lien from the municipality, to guarantee repayment of the loan.

For additional betterment information visit MassDEP's website: [Betterment Loans to Homeowners](#)

## CSMP Program Contacts

See the list of [Section Chiefs for your region](#) for contact information.

**Please note that this application is subject to revision.**

## STEPS TO OBTAIN A COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN

The Trust treats loans to LGUs as a general obligation of a municipality. Loans may amortize over 5, 10, 15 or 20 years, with 20 years being typical. The first payment on the loan starts no later than the second year of the closing. During the period that the LGU is drawing down the loan proceeds, the Trust will extend interest-free interim financing, under an interim loan agreement. The interim loan allows the Trust to immediately lend funds to the LGU.

### **1. Town Meeting Vote**

As CSMP financing is provided through a loan, MGL c.44 requires the LGU to obtain debt authorization through LGU meeting vote. Approval typically requires a 2/3 vote of LGU meeting, city council, LGU council or board of aldermen. As described in Section 2 above, one or two articles pursuant to MGL c. 111 s.127B1/2 must be passed to authorize the CSMP.

### **2. Treasurer Processes the Loan Forms**

The LGU treasurer is the responsible municipal official who interacts directly with the Trust. The LGU treasurer has the responsibility to review, prepare, and approve financial commitment documents prior to the BOH receiving funds to utilize for the CSMP.

Once debt authorization is obtained, the LGU submits application documents to MassDEP's Division of Water Investment (DWI), signed and/or prepared by the LGU treasurer, along with a LGU or city clerk-certified copy of the debt authorization vote. Authority to file and certifying authority to file forms are also submitted with the application. The LGU treasurer is typically the local official authorized to sign financial forms on the LGU's behalf.

A loan origination fee of \$500 is required to be paid to the Trust by the LGU. The LGU treasurer may decide that this fee be paid from the proceeds of the loan, subject to other conditions. An LGU can elect to pay it and be repaid when homeowner application fees or property tax payments are received and placed into the CSMP accounts that have been established by the LGU accountant.

### **3. Regulatory and Financial Agreements**

Once the various loan application forms are received by DMS, two agreements are prepared by DMS for forwarding to the Trust: the Project Approval Certificate (PAC) and the Project Regulatory Agreement (PRA). The Trust must then vote to authorize the execution of a State Revolving Fund Loan Agreement.

### **4. Execution of the Project Approval Certificate (PAC)**

The PAC is an agreement between MassDEP and the Trust that establishes the eligibility of the loan.

## STEPS TO OBTAIN A COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN

### 5. Execution of the Project Regulatory Agreement (PRA)

The PRA is an agreement between MassDEP and the LGU, signed by the MassDEP Director of Water Investment and the authorized representative of the LGU. The PRA incorporates MassDEP's program requirements for implementing the CSMP program within the LGU.

Once PACs and PRAs are approved, the Trust forwards a copy of the PRA to the LGU treasurer for signature along with a loan agreement package. The loan agreement package includes a questionnaire and financing agreement documents. The LGU treasurer is required to return signed copies of the questionnaire, PRA, and financing agreement.

### 6. Bond Counsel Approval

The LGU's bond counsel reviews the LGU meeting article(s) vote and Trust financial documents and issues an approval opinion, known as the green light letter. This letter must be provided to the Trust before a loan can be put in place. The green light letter certifies to the Trust that the debt authorization vote was legal.

### 7. Interim Loan Agreement

While bond counsel is preparing the green light letter, a local bond and interim loan agreement (ILA) note is prepared by the Trust. The ILA provides the authority for the Trust to advance funds to the LGU for homeowner loans, prior to the permanent financing of a long-term bond.

When all financial documents have been received by the Trust, an ILA loan is put in place. The ILA is a temporary loan agreement that is typically utilized for up to two years to draw down funds for the homeowner loans. The Trust notifies the LGU of the ILA completion, and the process for the BOH to draw funds for homeowner loans can commence.

### 8. Permanent Financing

After the approved loan proceeds are completely expended, or after two years from the approval of the PRA, the loan will be permanently financed by the Trust through the issuance of a bond. The LGU will be responsible for regular payments of this bond from loan receipts paid by the CSMP homeowners via their property tax payments.

### 9. Loan Debt Schedule C

At the time of permanent financing, a debt service schedule that outlines the payments for the 20-year term of the loan will be provided to the LGU. These loan payments are made to the Trust twice a year on the 15th of January and the 15th of July. Loans may be financed for a term less than 20 years at the request of the LGU treasurer.

## STEPS TO OBTAIN A COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN

### 10. Payment of Funds to Town

Once interim financing is in place, the LGU may request SRF loan funds by submitting a payment requisition form to DWI via email at [DMSDEP.General@mass.gov](mailto:DMSDEP.General@mass.gov).

- Payment requisitions form must contain the name(s) and address(es) of homeowners receiving funds, or the dollar amount being requested as a 'draw'. The Payment requisitions form is signed by the treasurer and the BOH authorized representative.
- The payment requisition form should be emailed to the DWI coordinator. Payment requisitions may be made in amounts sufficient to cover anticipated funding needs. Disbursements are made by wire transfer only. The payment request identifies the address of each septic system repair and the amount of financing being requested for that address.

The BOH completes a quarterly report that indicates the number of loans for that period; this report must be submitted by email.

**GUIDANCE AND INSTRUCTIONS TO COMPLETE THE  
APPLICATION FOR SRF FINANCIAL ASSISTANCE  
COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN**

**APPLICANT INFORMATION**

**1. Local Government Unit (LGU)** - Any town, city, district, commission, agency, authority, board or other instrumentality of the commonwealth or of any of its political subdivisions, including any regional local governmental unit defined in M.G.L. c. 29C, which is responsible for the ownership or operation of a water pollution abatement project and/or drinking water project and is authorized by a bond act to finance all or any part of the cost thereof through the issue of bonds.

In April of 2022 the Office of Management and Budget (OMB) required federal agencies to transition from collecting DUNS numbers to collecting **Unique Entity IDs (UEI)**. UEIs are assigned by the Federal Government and are used to track the flow of federal funds. MassDEP and the Massachusetts Clean Water Trust recommend SRF loan and grant applicants apply for an UEI at their earliest convenience because if applicants do not have an UEI assigned, disbursements may be delayed until one is issued.

The UEI application and FAQs can be found on the [SAM.gov website](https://sam.gov).

**2. Authorized Representative** - Provide the name, title, complete mailing address, phone number and email address of the authorized representative. The application must contain a resolution or authorization designating by title of the official (Mayor, City or Town Manager, Chairperson of the Board of Sewer Commissioners, Chairperson of the Select Board, etc.) to act as the representative of the applicant to sign for, accept, and take whatever action is necessary relative to the project. In the city form of government, the City Council will generally name the authorized representative. If the community is governed by Town Meeting, then the Town Meeting action will name the appropriate group, such as the Select Board or Board of Public Works. The appropriate governing body will then name the authorized representative. If the authority to file statement names an office, then a certified statement is required specifically identifying the individual currently holding that office. For wastewater districts/commissions, provide the requisite authorization of the governing board.

In the event the authorized official is replaced while the project is still active, a revised statement naming the new incumbent and the effective date of appointment must be submitted. On occasion an authorized representative may desire to delegate to another person the authority to also act on their behalf in processing paperwork during the implementation of the project. This is accomplished by having the authorized representative submit a letter advising of this delegation.

**3. LGU Project Primary Contact Person** (if different from above) – Provide the name, title, mailing address, phone number and email address.

**4. Engineering/Consultant Firm, Agency or same as LGU** (Prefilled by eSRF Portal)

**5. Engineer or Consulting Firm, Agency Contact Person** – Provide the name, mailing and email address and phone number.

**GUIDANCE AND INSTRUCTIONS TO COMPLETE THE  
APPLICATION FOR SRF FINANCIAL ASSISTANCE  
COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN**

**PROJECT INFORMATION**

**6. Project Name** (this section is limited to 50 characters)  
i.e. "Community Septic Management Program"

**7. Project Description** (this section is limited to 1000 characters)  
i.e. "Community Septic Management Program"

**8. Location** – The project's latitude and longitude in decimal format or radius and location description. If there is no specified location, please enter the latitude and longitude of the city/town.

**FUNDING SOURCES**

If this project is receiving funding from another federal, state, or local program outside of the SRF, please enter the amount(s) received.

**ASSISTANCE REQUESTED**

**Project Cost** – The application must contain the cost of the CSMP. The amount of financial assistance you are requesting is the calculated Eligible Cost.

**GUIDANCE AND INSTRUCTIONS TO COMPLETE THE  
APPLICATION FOR SRF FINANCIAL ASSISTANCE  
COMMUNITY SEPTIC MANAGEMENT PROGRAM LOAN**

**REQUIRED DOCUMENTS**

**Part I – Applicant Information and Certification**

**AUTHORITY TO FILE**

Refer to APPLICANT INFORMATION section for definitions of Local Government Unit (LGU) and Authorized Representative. (A [Sample Form](#) is provided for reference)

**CERTIFYING STATEMENT FOR AUTHORITY TO FILE**

Statement must be certified by submitting a separate certifying statement along with a copy of the resolution or authorization designating by title the official (Mayor, City or Town Manager, Chairperson of the Board of Sewer Commissioners, Chairperson of the Select Board, etc.) to act as the representative of the applicant for whatever action is necessary relative to the project. The Certifying Statement shall name the individual currently holding that title. The statement shall be signed by the town or city clerk, and an impression of the entity's official seal affixed. If the entity is not a municipality, a notary may be used. (A [Sample Form](#) is provided for reference)

**LOCAL APPROPRIATION**

The applicant must demonstrate that sufficient funds are available to cover the total (both eligible and ineligible) project costs. This is accomplished by means of a vote of Town Meeting, City Council, Wastewater District/Commission, Water Supply District, or other designated body, as appropriate. Local bond counsel should be consulted for exact language depending on whether the applicant uses general obligation or revenue obligation borrowing.

Important points to remember include:

The applicant may borrow from the Massachusetts Clean Water Trust in accordance with Chapter 29c, as amended, of the Massachusetts General Laws. The resolution must be certified. It must denote who can act on behalf of the applicant to file for and accept financing. It must specifically state what project or type of project is being authorized, such as Community Septic Management Program.

**SRF FINANCIAL ASSISTANCE APPLICATION FOR COMMUNITY SEPTIC MANAGEMENT PROGRAM**

This application needs to be signed by the authorized representative.