



Lowell Regional Wastewater Utility

451 First St. Blvd., Route 110 • Lowell, MA 01850
Tel: 978-674-4248 • Fax: 978-459-3826 • www.lowellma.gov

Aaron Fox
Chief Utility Officer

Evan Walsh
Executive Director

MEMORANDUM

TO: Thomas A. Golden Jr., City Manager 

FROM: Aaron Fox, Chief Utility Officer 

DATE: January 29, 2026

SUBJECT: Centralville Sewer Separation Phase 1 Project: Funding Status

I am pleased to inform you that the Centralville Sewer Separation Phase 1 Project has been officially included in the Clean Water State Revolving Fund (CWSRF) loan program. This funding package is a significant achievement for the City, as it leverages both the Bipartisan Infrastructure Law (BIL) and other federal funding sources to protect our local water quality and public health through a joint federal-state financing partnership.

The Massachusetts Clean Water Trust has awarded this project \$23,000,000, providing an exceptionally favorable financial structure for our rate payers. This includes \$2,277,000 (9.9%) in direct principal forgiveness and a subsidized 1.5% interest rate loan. Compared to standard market rates, this financing equates to a total savings of approximately \$13,200,000 million in interest payments over the next 20 years. The City is collaborating closely with the Massachusetts Clean Water Trust to secure full funding for the project via the SRF program. The remaining balance of \$30,453,414 is currently moving through the approval process.

The Centralville Phase 1 project represents the first major step in a critical infrastructure program for the Centralville Neighborhood. Mandated by the federal EPA Consent Decree, this project is essential to separating the neighborhood's combined sewer system. The primary design focus is the construction of a mainline drain conduit to divert Humphrey's Brook and Billings Street Wetlands away from the sewer system. This substantial undertaking requires the construction of a large-diameter drain system, ranging from 36-inch pipes to 5-foot by 8-foot box culverts, terminating at a new outfall at the Merrimack River. The construction timeline for the Centralville Phase 1 project is 30 months. Given the scale of these structures, significant effort was required during the design phase to address the necessary extensive underground utility conflicts and complex environmental permitting.

Separating the stormwater from our sewer lines, will significantly reduce the frequency and volume of Combined Sewer Overflow (CSO) events, directly improving the health of the Merrimack River. Beyond regulatory compliance, the project is engineered to prevent localized street flooding and basement sewer backups. It will also remove two major surface water inflow sources into the sewer system, which directly lowers treatment expenses at Duck Island Wastewater Treatment Facility and restores critical capacity to our existing sewer collection system.

While a project of this magnitude brings significant short-term construction disruption, the long-term benefits are profound. Residents will receive a comprehensive overhaul of their neighborhood utilities, including rebuilt sewer lines and modernized water mains, hydrants, and valves. Upon completion, Centralville will benefit from newly paved roads along the construction routes, with integrated traffic calming measures, providing a safer and more resilient infrastructure for the community for decades to come.

The following is a plan showing the project area. Further project information and construction updates can be found at lowellwater.com.

