



Department
of Health

Environmental
Facilities Corporation

Accessing Federal and State Water and Sewer Funding

Khrist Dodson

Funding for Infrastructure | April 6, 2023



Environmental
Finance
Center

Syracuse University



About the Environmental Facilities Corporation

They Fund New York State Water Infrastructure

Clean Water State Revolving Fund

Low-cost capital for sewer and wastewater treatment projects.

Drinking Water State Revolving Fund

Low-cost capital for drinking water projects.

State Water Grants

Ease the cost burden of capital infrastructure costs.

Federal Bipartisan Infrastructure Law Funding

Administered Through the State Revolving Funds.

Types of Financial Assistance

Offered by EFC

Short-Term Financing



- Available to Provide Recipients with Funding to Design and Construct Projects
- Up to 5-Year Term

Long-Term Financing



- Amortized Up To a Term of 30 Years

Interest-Rates



- Interest-Free
- Subsidized
- Market-Rate

Grant Programs

Engineering
Planning
Grant

EPG

Water
Infrastructure
Improvement
Grants

WIIA

Intermunicipal
Grants

IMG

Green
Innovation
Grant Program

GIGP

State Revolving
Fund Grants

SRF

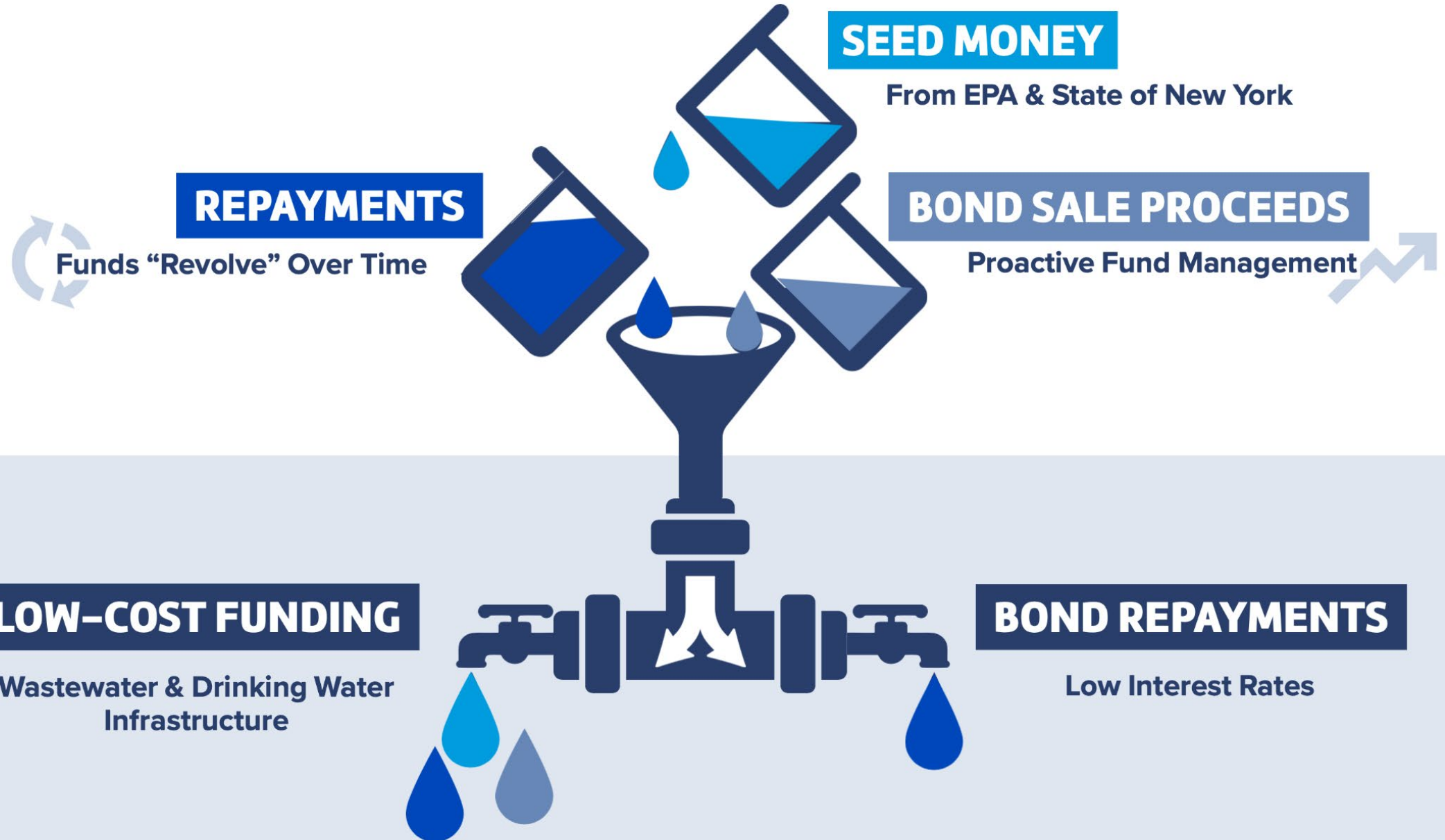
Bipartisan
Infrastructure
Law Grants

BIL



State Revolving Funds (SRF)

NEW YORK STATE REVOLVING FUND





Intended Use Plan

The First Step in Seeking State Revolving Funds



Prepared Annually By Law

The Intended Use Plans describe each SRF program, list the funds that are available and identify how the funds will be used



Project Rank and Score

Each project is ranked and scored based on water quality and public health impacts as described in the documents submitted by applicants

Eligible costs are based on documented estimates from engineering reports, plans and specifications, and contract awards



Financing Process

List Your
Project

Projects
Ranked &
Scored

IUP is
Released

Prepare
Application
Materials

Apply for
Financing

STEP 1

STEP 2

STEP 3

STEP 4

STEP 5



List or Update
by June 16, 2023
for the 2024 IUP

Eligible Projects

Clean Water State Revolving Fund

Administered by EFC in partnership with DEC

- Treatment Works
- Non-Point Source
- National Estuary Conservation and Management Plan
- Decentralized Systems
- Recycled Water and Water Re-Use

Drinking Water State Revolving Fund

Administered by EFC in partnership with DOH

- Provide Public with Safe Drinking Water
- Upgrade or Replace Drinking Water Infrastructure
- Address Non-Compliance with Federal or State Health Standards
- Prevent Future Violations of Federal or State Health Standards

SRF Application

- ✔ **Project must be on Annual List**
- ✔ **Used for both CWSRF and DWSRF**
- ✔ **Required Documents**
 - SRF Financing Application
 - Bond Resolution
 - Environmental Review
 - SHPO Letter
 - District Formation, if applicable

**Submit by
June 16, 2023**





Mandatory Terms & Conditions (T&Cs)

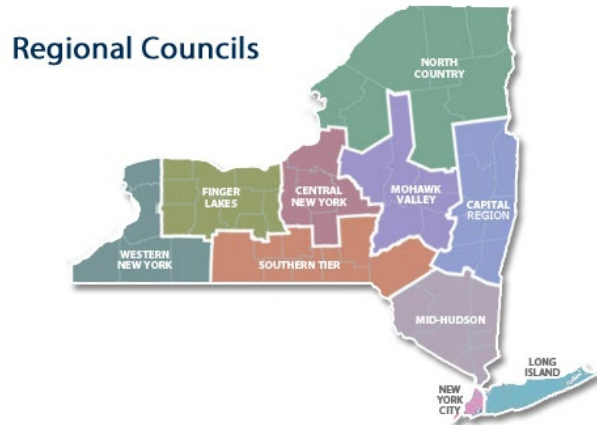
- ✔ Contracts paid for with EFC funds must include T&Cs
- ⚠ Any contracts that do not include the required language may be ineligible for funding
- ✔ Program requirements include: A/E Procurement, MWBE/EEO/DBE, Service-Disabled Veteran Owned Business (SDVOB), American Iron & Steel (AIS), and Davis-Bacon Prevailing Wage



Grant Programs

Engineering Planning Grants (EPG)

- Funding for hardship communities to pay for the initial planning of eligible **CWSRF** projects.



**Anticipated beginning
of application period
in Spring 2023**



This funding helps develop
an Engineering Report

Engineering Reports are
required to list your project
on the Annual List of the
Intended Use Plan.



Grant awards
up to \$100K

- Up to \$100,000 per locality for inflow/infiltration studies required by enforcement action
- Up to \$50,000 for all other projects

Green Innovation Grant Program

Supports projects that utilize unique EPA-designated green stormwater infrastructure design and create cutting-edge green technologies.



This funding supports projects that improve water quality and mitigate climate change.



Projects must implement one of the following green practices:

- Green Stormwater Infrastructure
 - Maintain and restore natural hydrology by infiltration, evapotranspiration, and harvesting stormwater
 - 75-90% grants available
- Energy Efficiency
 - Reduce Energy Consumption or Produce Renewable Energy
 - 50-75% grants available
- Water Efficiency
 - Reuse, Conserve or Improve Water Efficiency
 - 50-75% grants available
- Environmental Innovation



**Anticipated beginning
of application period
in Spring 2023**

WIIA

Available to
Municipalities for Sewage
Treatment Works and
Drinking Water Projects

Anticipated
beginning of
application
period in
Spring 2023



Clean Water WIIA

- Municipalities will be awarded **25%** of total net eligible project costs **up to \$25 million**.
- Grants administered through EFC will not be used to calculate net eligible project costs (GIGP, CWSRF)

Drinking Water WIIA

- Municipalities will be awarded **60%** of total net eligible project costs **up to \$5 million**.
- The maximum a municipality can receive is \$5 million in DWSRF grant and/or WIIA grant per year.
- Projects addressing an emerging contaminant above the State determined Maximum Contaminant Level (MCL) may be awarded **60% of total net eligible project costs**.

A photograph showing several large, blue, cylindrical pipes stacked in a warehouse. The pipes are arranged in a diagonal line, receding into the background. The lighting is warm, suggesting an indoor setting with overhead lights. The pipes are supported by wooden beams.

Intermunicipal Grants

Available for clean water and drinking water projects that serve multiple municipalities for consolidation of infrastructure or services

- ✔ Awards up to **40%** of net eligible costs, **up to \$30 million**
- ✔ One municipality must be the lead municipality and apply on behalf of all cooperating municipalities
- ✔ Must have a current, valid, and binding project Intermunicipal Agreement (IMA) between at least two cooperating municipalities related to the financing and implementation of the project.
- ✔ Anticipated beginning of application period in Spring 2023



Federal Bipartisan Infrastructure Law (BIL)

BIL & SRFs

BIL funding for water infrastructure is being administered through the State Revolving Funds over five years.

The first installment of \$428 million has been made available in the 2023 IUPs, in addition to annual base appropriations.

2022 FFY Funding By Category

\$196M

CWSRF

General Supplemental

\$10M

CWSRF

Emerging Contaminants

\$73M

DWSRF

General Supplemental

\$30M

DWSRF

Emerging Contaminants

\$115M

DWSRF

Lead Service Line Repl.

Eligible Projects – CWSRF BIL

BIL General Supplemental (GS)

Municipal water pollution control projects including, but not limited to:

- Wastewater treatment facilities
- Pumping stations and sewers
- Combined sewer overflow abatement
- Stormwater pollution abatement
- Other municipally owned projects or portions of projects that maintain, protect or improve water quality

BIL Emerging Contaminants (EC)

Construction costs on CWSRF eligible projects whose primary purpose is to address emerging contaminants, including but not limited to, groundwater or surface water contamination caused by:

- Perfluoroalkyl and polyfluoroalkyl substances (PFAS)
- Pharmaceuticals
- Personal care products
- Micro/nanoplastics

CWSRF BIL GS

- ✔ **Grant funding up to 50% of eligible project costs, net of non-EFC grants, up to a maximum amount of \$25 million**
- ✔ **Project must be listed above the Hardship Funding Line in IUP Category D**
- ✔ **Must not have:**
 - **Incurred SRF-eligible debt or closed an EFC financing before November 15, 2021;**
 - **Issued a Notice to Proceed to construction before November 15, 2021;**
 - **Closed a long-term project financing agreement; and**
 - **Substantially completed construction before the beginning of the FFY**
- ✔ **A BIL-GS Funding Line is established in IUP Subcategory D1 to identify projects that qualify for BIL-GS Additional Subsidy**



CWSRF BIL EC

- ✔ **Grant funding up to 100% of eligible project costs, up to a maximum amount of \$25 million**
- ✔ **Additional subsidy will be offered in Project Priority Score order**
- ✔ **To be considered for additional subsidy, a municipality must have:**
 - **Been included in Subcategory D2 in the IUP;**
 - **Not executed a CWSRF short-term project financing agreement or incurred SRF-eligible debt before November 15, 2021;**
 - **Not executed a long-term project financing agreement; and**
 - **Not have substantially completed construction before the beginning of the FFY.**



Eligible Projects – DWSRF BIL

BIL General Supplemental (GS)

Municipally owned and privately-owned community water systems and non-profit non-community water projects including:

- Construction, rehabilitation, and upgrading of water treatment plants; transmission and distribution mains; storage facilities; pump stations
- Rehabilitation or development of new drinking water sources
- Consolidation of water supply services; and
- Capital investments to improve security of drinking water systems

BIL Emerging Contaminants (EC)

DWSRF eligible projects with the primary purpose to address emerging contaminants in drinking water, with a focus on PFAS.

BIL Lead Service Line Replacement (LSLR)

DWSRF eligible projects that replace or are associated with an LSLR project or associated activity directly connected to the identification, planning, design, and replacement of lead service lines. Any project funded under this category involving the replacement of lead service lines must replace the entire lead service line (public and privately owned portion), not just a portion.

DWSRF BIL GS

- ✔ Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed \$5 million
- ✔ Projects on the BIL-GS Eligible Project List awarded additional subsidy and interest-free financing in public health priority score order
 - Must not have closed a short-term financing before October 1 of the FFY in which the assistance is awarded
- ✔ Of the 120 DWSRF projects identified as BIL-GS eligible in the 2023 IUP, 18 were awarded funding



DWSRF BIL EC

- ✔ Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed \$5 million for disadvantaged communities
- ✔ Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed \$5 million for non-disadvantaged communities
- ✔ First priority given to projects that address PFAS
- ✔ At least 25% of the BIL-EC funds will go to state-defined disadvantaged communities



DWSRF BIL LSLR

- ✔ **LSL Replacement Projects**
 - Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed \$10 million (disadvantaged communities)
- ✔ **LSL Inventory Projects**
 - Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed \$2 million (disadvantaged communities)
- ✔ **Communities are limited to \$14M in interest-free financing in any FFY**
- ✔ **Projects will be awarded in public health priority score order until the available funds have been exhausted**



Additional Federal Requirements

- ✔ Professional (A/E) Service Procurement requirements
- ✔ Build America, Buy America Act (BABA): expands domestic preference procurement requirements
- ✔ Telecom Exclusion
- ✔ Disadvantaged Business Enterprise (DBE)
- ✔ Single Audit and federal thresholds (\$750,000)
- ✔ Additional coordination for Environmental Review
- ✔ Federal Equivalency Requirements are necessary for any project funded through BIL
 - Equivalency projects are identified on CWSRF IUP with an “E” notation

Water Quality Improvement Project (WQIP) Program



Eligible Activities - 2022

- Wastewater Treatment Improvement
- Non-agricultural Nonpoint Source Abatement and Control
- Land Acquisition for Source Water Protection
- Salt Storage
- Aquatic Connectivity Restoration
- Marine District Habitat Restoration



Water and
Environmental
Programs



Clean Water & Sanitation Help for Rural Communities

Water and Environmental Programs (WEP)

Projects include the Construction, Repair, Modification, Expansion or Improvement of:

- Drinking water sourcing, treatment, storage tanks and distribution/pumping stations
- Sewer collection, transmission, treatment and disposal
- Solid waste collection, disposal and closure
- Storm water collection, transmission and disposal.



Department of
Environmental
Conservation

Emergency Community Water Assistance Grants (ECWAG)

Helps eligible communities (population of 10,000 or less) prepare, or recover from, an emergency that threatens the availability of safe, reliable drinking water.

Eligible applicants – same as for direct loan/grant program.

Grants made for repairs or partial replacement cannot exceed \$150,000

Grants made for new water source cannot exceed \$1,000,000

Streamlined application processing for projects that do not need additional Rural Development funding to complete the project.

Emergency Community Water Assistance Grants (ECWAG) Continued

There must be an event that can caused the emergency. These events include but are not limited to:

- Drought
- Flood
- Earthquake
- Tornado or Hurricane
- Disease outbreak
- Chemical spill, leak or seepage



Federal disaster declaration is not required

Planning Grants

Assists low-income communities with initial planning and development of applications.

Predevelopment feasibility studies, design and engineering assistance, and technical assistance for funding applications.

USDA Rural Development has two programs provide pre-planning grants to assist communities with preparing their PER and ER for their RD Application

- Water & Waste Disposal Predevelopment Planning Grant (PPG)
- Special Evaluation Assistance for Rural Communities (SEARCH)

A smiling firefighter in full gear, including a white t-shirt, yellow pants, and a helmet, stands in front of a fire truck. The firefighter is wearing glasses and has a watch on his left wrist. The background shows the side of a red and white fire truck.

Community Facilities Program

- Hospitals, health clinics, medical facilities
- Educational – schools/colleges
- Municipal Office Buildings/
Highway maintenance facilities
- Fire houses, first responder vehicles and equipment
- Municipal vehicles – snowplows, street sweepers, police cars
- Transportation – roads, bridges, airports, sidewalks

Thank you!

Khris Dodson

Khris@nywea.org



**Environmental
Finance
Center**
Syracuse University

