

DEPARTMENT OF
ECOLOGY
State of Washington

***Water Quality Program
Financial Assistance
State Fiscal Year 2018
Applicant Training
Workshops***



Contact Information

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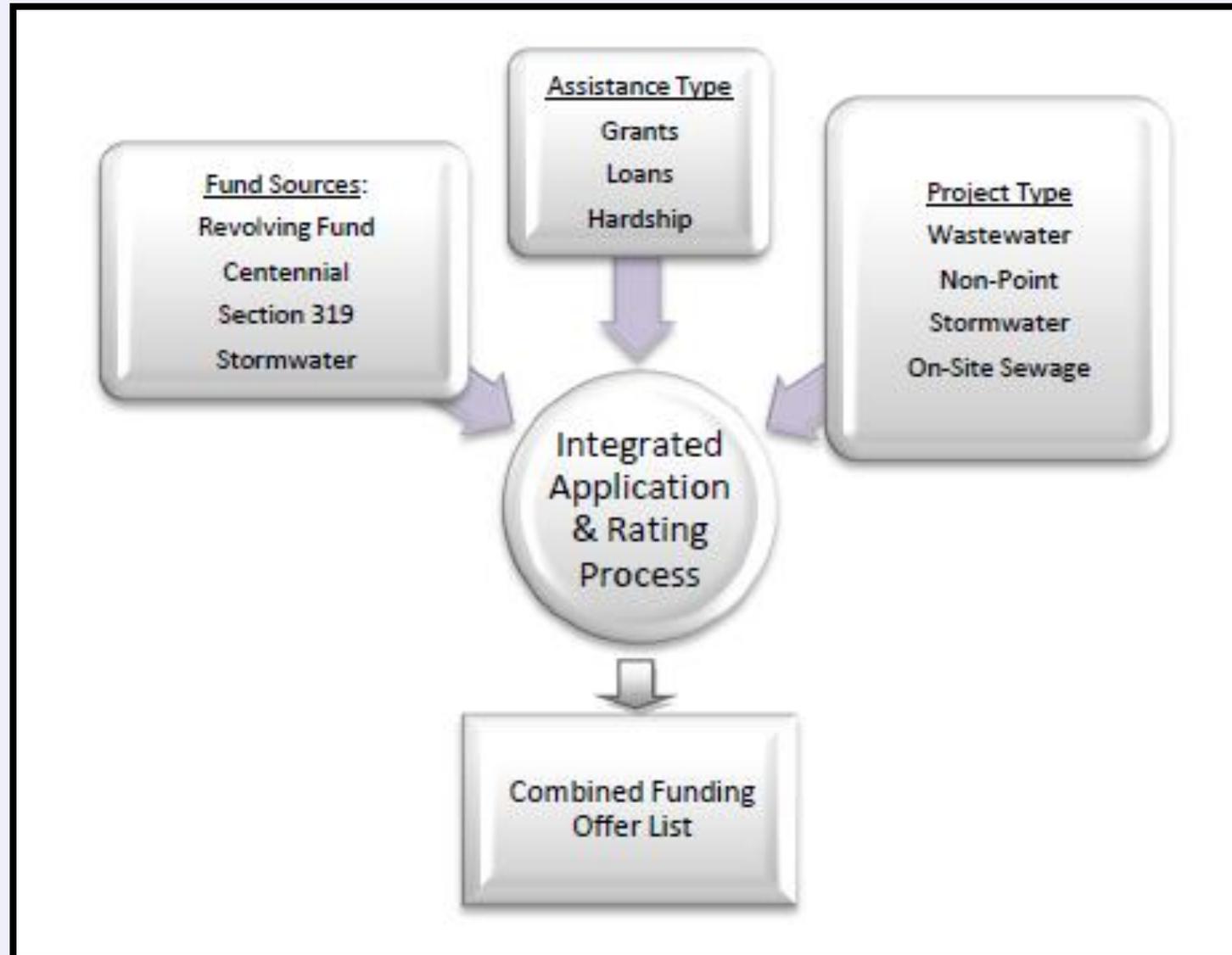
Today's Agenda



- **9:00 Program Overview**
- **9:45 EAGL 101—including Roles and Responsibilities and Q&A**
- **10:15 Break**
- **10:30 Breakout Sessions—including: project eligibility; key considerations when applying; scoring; application prerequisites:**
 - **Facility projects seeking CWSRF loans/Centennial hardship grants**
 - **Stormwater projects seeking SFAP grants**
 - **Nonpoint activity projects seeking Section 319/Centennial grants**
- **1:00 Done**



Integrated Funding Program





Funding Sources

Water Pollution Control Revolving Fund	CWSRF
Stormwater Financial Assistance Program	SFAP
Centennial Clean Water Program	Centennial
Clean Water Act Section 319 Program	Section 319



Clean Water State Revolving Fund

- **Low interest rate loan program**
- **Funded through:**
 - **Federal grant**
 - **20% state match**
 - **Repaid principal & interest**
- **Funds facility & activity projects**
- **Eligible applicants:**
 - **Public bodies**





Stormwater Financial Assistance Program

- Grant program
- Funded from state sources
- Funds stormwater projects not required by National Pollutant Discharge Elimination System (NPDES) permits
- Eligible applicants:
 - Cities, counties, port districts





Centennial Clean Water Program

- Grant program
- Funded from state sources
- Funds hardship wastewater facility construction & nonpoint source pollution control activity projects
- Eligible applicants:
 - Public bodies





Section 319 Program

- **Grant program**
- **Funded through:**
 - **Federal grant**
 - **40% state match**
- **Funds nonpoint source pollution control activity projects**
- **Eligible applicants:**
 - **Public bodies**
 - **Non-profits**





Who is Eligible to Apply?

- **Local Governments**
- **Federally Recognized Tribes**
- **Special Purpose Districts**
- **Non-profits**
- **Section 319 only**



Types of Projects Funded

- **Wastewater Facility Projects**
- **Stormwater Facility Projects**
- **Stormwater Activity Projects**
- **Onsite Sewage System Projects**
- **Nonpoint Source Activity Projects**
- **Plus, special categories:**
 - **Financial hardship**
 - **Facility preconstruction**
 - **Green Project Reserve (GPR)**



Wastewater Facility Projects

■ Eligible for CWSFR & Centennial (hardship construction-only)

■ Examples:

- Planning & Design of wastewater infrastructure
- Construction (includes administration, limited change orders, limited bid overruns, supplies/tools)

- Upgrades, expansion, new
- Collection sewers & pump stations
- Infiltration & inflow (I&I) correction
- Combined sewer overflow (CSO) abatement
- Large onsite systems (LOSS)





Stormwater Facility Projects

■ Eligible for CWSRF & SFAP

■ Examples:

- Planning, design, & construction of stormwater infrastructure
- Implementation of low impact development (LID) techniques
- Projects required by a NPDES permit
 - CWSRF-only





Stormwater Activity Projects

■ Eligible for CWSRF & SFAP

■ Examples:

- Land use/stormwater management planning
- Review of local stormwater regulations
- Inventorying & mapping of sources & infrastructure
- Education & outreach
- Source control sweeping that quantifies pollutant removal from existing development
- Legacy pollutant source ID'ing, tracing, & removal
- Projects required by a NPDES permit
 - CWSRF-only





Onsite Sewage System Projects

- Eligible for CWSRF & Centennial

- Examples:

- Planning, surveys, public education & outreach
- Local loan programs for repair & replacement of residential & small commercial systems





Nonpoint Source Activity Projects

- Eligible for CWSFR, Centennial & Section 319
- Examples:
 - Public outreach & education
 - Implementation of approved best management practices (BMPs)
 - Lake/riparian/wetland restoration
 - Groundwater/aquifer/wellhead protection
 - Total Maximum Daily Load (TMDL) support
 - Water quality monitoring





Ineligible Projects

- Non clean-water projects (e.g., roads, bridges, drinking water systems)
- Exclusively industrial projects
- Water quantity
- Flood control (unless clear water quality impact)
- Operation, maintenance, & repair costs



CWSRF & Centennial: Hardship – Wastewater Facility Construction

- For wastewater facility construction projects in smaller, financially distressed communities
- Criteria:
 - $\leq 25,000$ people
 - Sewer fees for existing residential ratepayer $\geq 2\%$ of median household income (MHI) without subsidy
- For existing residential need
 - Standard loan for rest of project
- Subsidy options:
 - Centennial grant
 - Forgivable principal loan
 - Further reduced interest rates – down to 0%





CWSRF & Centennial: Hardship – OSS

- For local loan repair & replacement program
- A combination of grants & subsidized loans
 - Grants up to \$500K
 - Final interest rate ↓ if loans mainly to homeowners with incomes <80% of county MHI





CWSRF: Preconstruction & Hardship

- For wastewater/stormwater facility projects in small, less affluent communities
 - Comprehensive sewer planning
 - Feasibility studies
 - Site-specific facility planning
 - Value engineering
 - Environmental review
 - Pre-design reports & Design plans and specs
- Criteria for funding:
 - $\leq 25,000$ population
 - $MHI \leq$ State MHI
- Criteria for hardship (50% forgivable principal loan):
 - $\leq 25,000$ population
 - $MHI \leq 80\%$ State MHI





SFAP: Hardship

■ Criteria:

- Service area population $\leq 25,000$
- MHI $\leq 80\%$ State MHI

■ Subsidy:

- Match reduced from 25% to 15%



Green Project Reserve (GPR)



- EPA requires 10% of the Cap Grant for CWSRF be directed to GPR projects
- Can be a stand-alone or part of a larger project
- Must be eligible for CWSRF funding, willing to accept a loan, & meet EPA's criteria for:
 - Green Infrastructure
 - Energy Efficiency
 - Water Efficiency
 - Environmentally Innovative
- May include 25% forgivable principal loan



Projected Funding, Set-asides, Caps

CWSRF Loans*	\$100M	
Facility Projects	\$75M	\$37.5M/applicant
Nonpoint Activity Projects	\$20M	\$10M/applicant
Preconstruction Projects	\$5M	\$1M/applicant
Green Project Reserve	\$2.4M	
Forgivable Principal Loans	\$2.4M	
SFAP Grants**	\$30M	
Stormwater Projects	\$30M	\$5M/per applicant; \$250K for planning or design
Centennial Grants**	\$30M	
Hardship Wastewater Facility Projects	\$10M	\$5M/project
Nonpoint Activity Projects	\$10M	\$500K/project if cash match; \$250K if combined match
Competitive	\$10M	
Section 319 Grants*	\$1.6M	
Nonpoint Activity Projects	\$1.6M	\$500K/project if cash match; \$250K if combined match

*** = Partially based on the Federal Fiscal Year 2015 federal grant**

**** = Based on Ecology's projected request of \$60,000,000 for the 2017-2019 Biennial Budget**



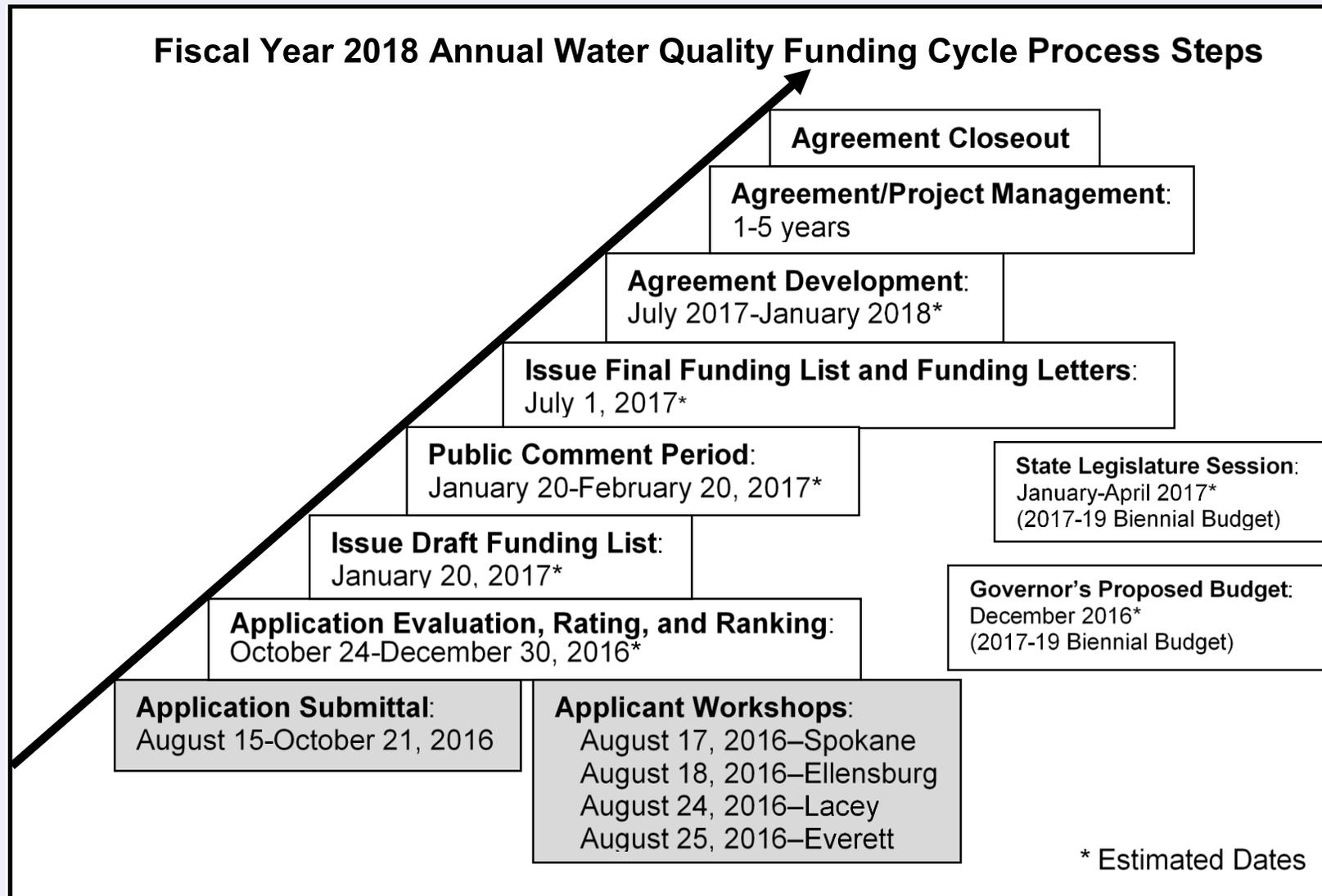
SFY18 CWSRF Interest Rates

- Based on market rate (MR) for tax exempt municipal bonds

6-20 year loans	1.5% (60% of MR)
1-5 year loans	0.7% (30% of MR)

SFY18 Funding Cycle

Fiscal Year 2018 Annual Water Quality Funding Cycle Process Steps





Key Dates



- **October 21, 2016**: applications due—by 5:00pm
- **January 20, 2017** : Draft Funding List
- **April 2017**: 2017-2019 Biennial Budget
- **July 1, 2017**: Final Funding List, formal offers
- **January 31, 2018**: agreements signed
- **April 30, 2018**: work underway
- **June 30, 2020**: activity projects completed
- **June 30, 2022**: facility projects completed



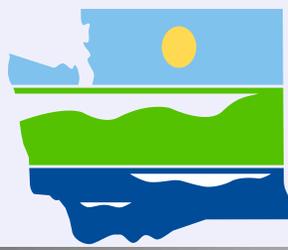
Rating Criteria & Points

Scored Form	Points Available	Points Required
Funding Request Form	0 – 15	---
Scope of Work - Additional Tasks Form	0 – 75	---
Task Costs/Budget Form	0 – 135	---
Water Quality and Public Health Improvements Form	0 – 500	250
Project Team Form	0 – 65	---
Project Planning and Development Form	0 – 60	---
Project Schedule Form	0 – 100	---
Financial Hardship Form	0 or 50	---
Total	0 – 1,000	600



For Additional Information

- <http://www.ecy.wa.gov/programs/wq/funding/funding.html>
- <http://www.ecy.wa.gov/programs/wq/funding/Opp/WQC/CyclePages/WQC2018.html>
- <http://www.ecy.wa.gov/programs/wq/funding/Res/Resources.html>



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QUESTIONS?