

**NEW YORK STATE** | Environmental Facilities Corporation | Department of Health

# The State Revolving Funds and Funding Opportunities for Water Infrastructure Projects

Funding Roundtable – November 9


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# Agenda

- ✓ About EFC
- ✓ The State Revolving Funds (SRFs)
- ✓ Federal Bipartisan Infrastructure Law (BIL)
- ✓ Grant Programs
- ✓ Technical Assistance Opportunities

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# About EFC

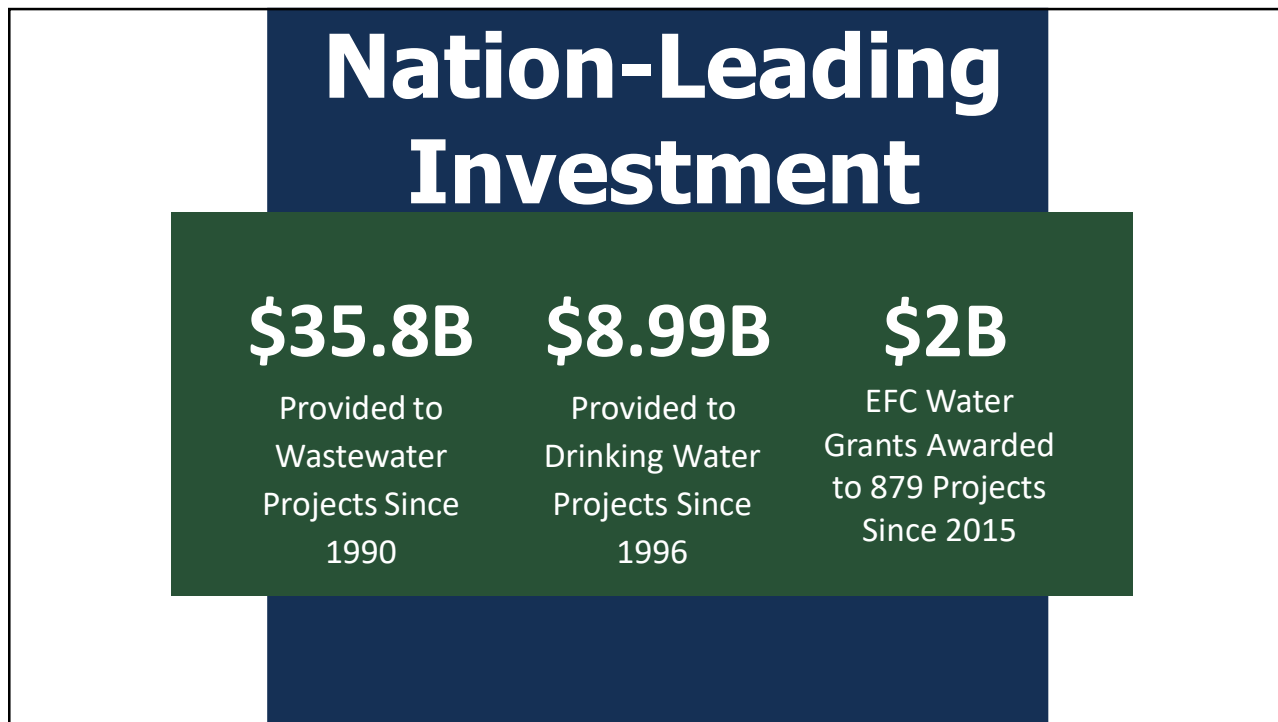
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## About EFC

### We Fund New York State Water Infrastructure

Clean Water State Revolving Fund	Drinking Water State Revolving Fund	State Water Grants	Federal Bipartisan Infrastructure Law Funding
Low-cost capital for sewer and wastewater treatment projects.	Low-cost capital for drinking water projects.	Ease the cost burden of capital infrastructure costs.	Administered through the State Revolving Funds.

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## 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

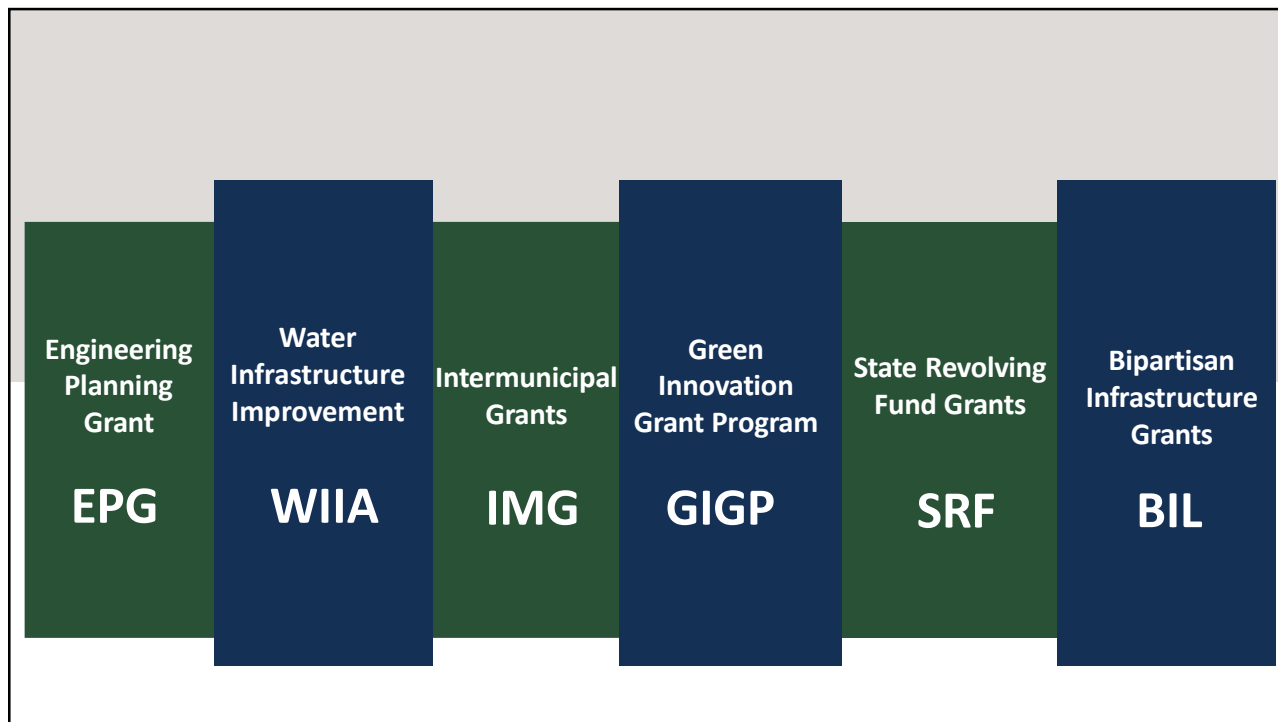
### Long-Term Financing

- Amortized up to a term of 30 years

### Interest-Rates

- Interest-Free
- Subsidized
- Market-Rate

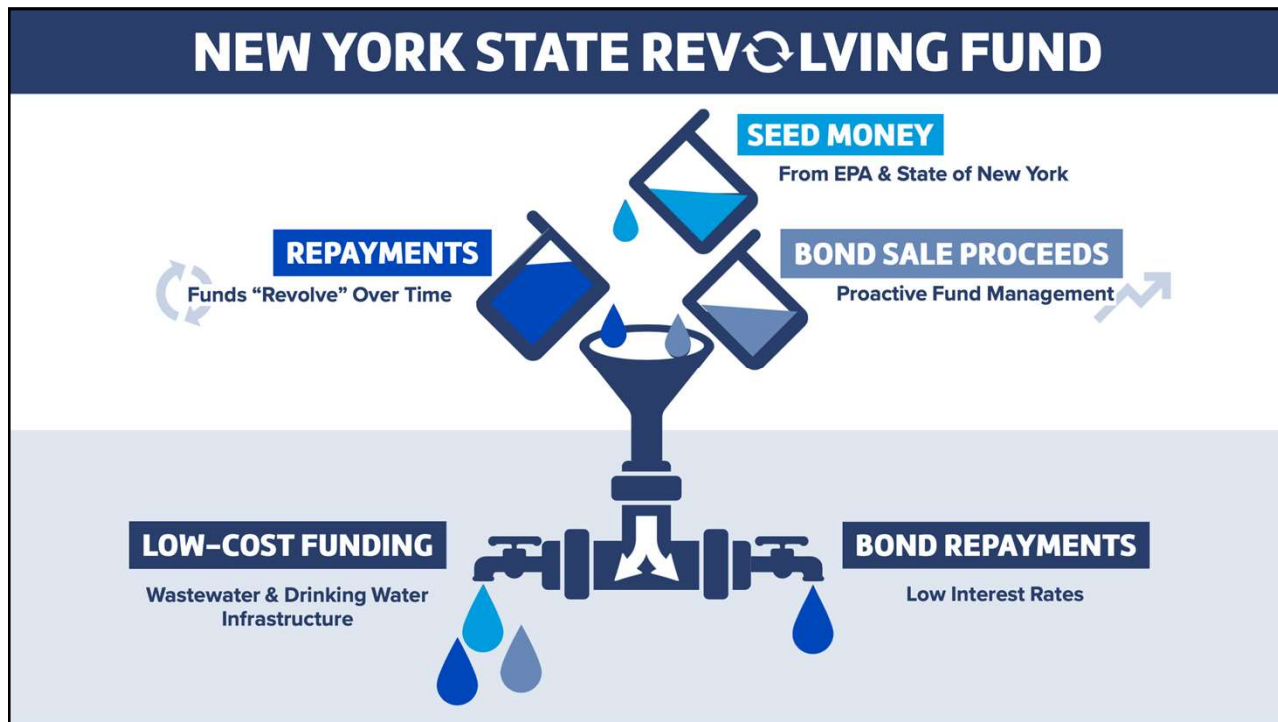
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**Intended Use Plan**  
The First Step in Seeking State Revolving Funds

**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

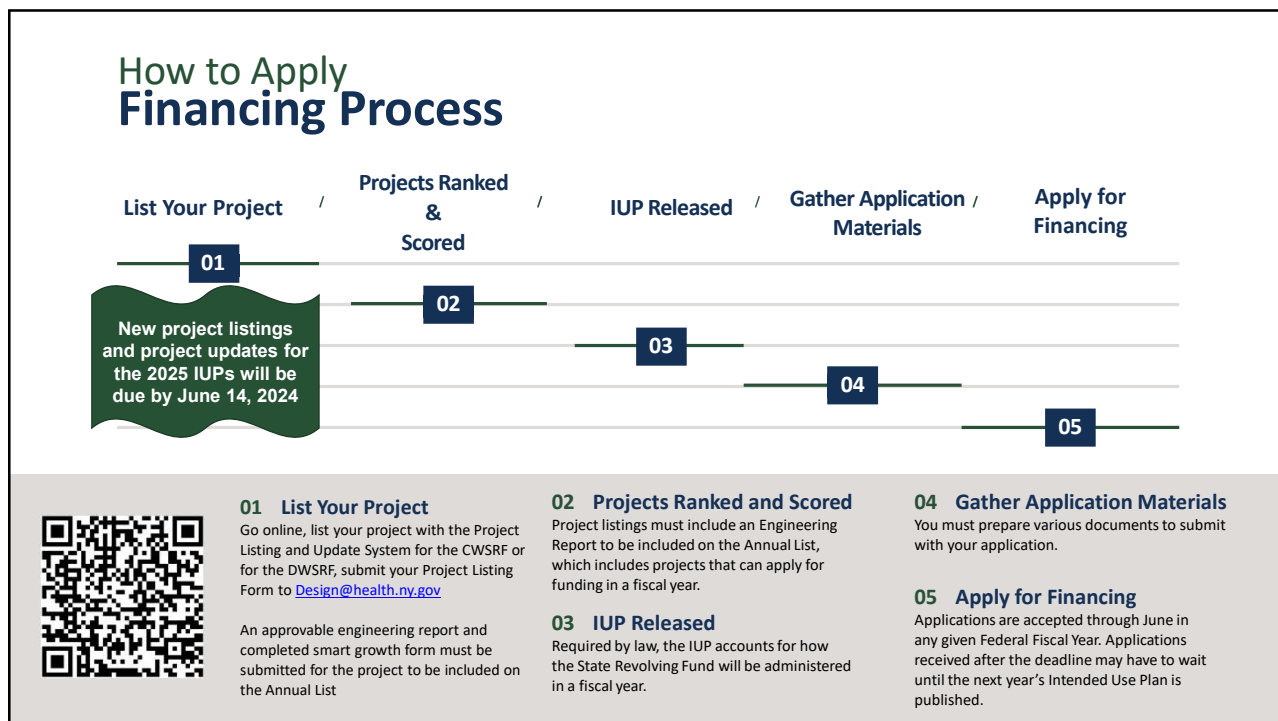
**Project Rank and Score**  
Each project is ranked and scored based on water quality and public health impacts as described in the documents submitted by applicants

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

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# Eligible Projects

## Clean Water State Revolving Fund

Administered by EFC in partnership with DEC.

- Municipal 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.

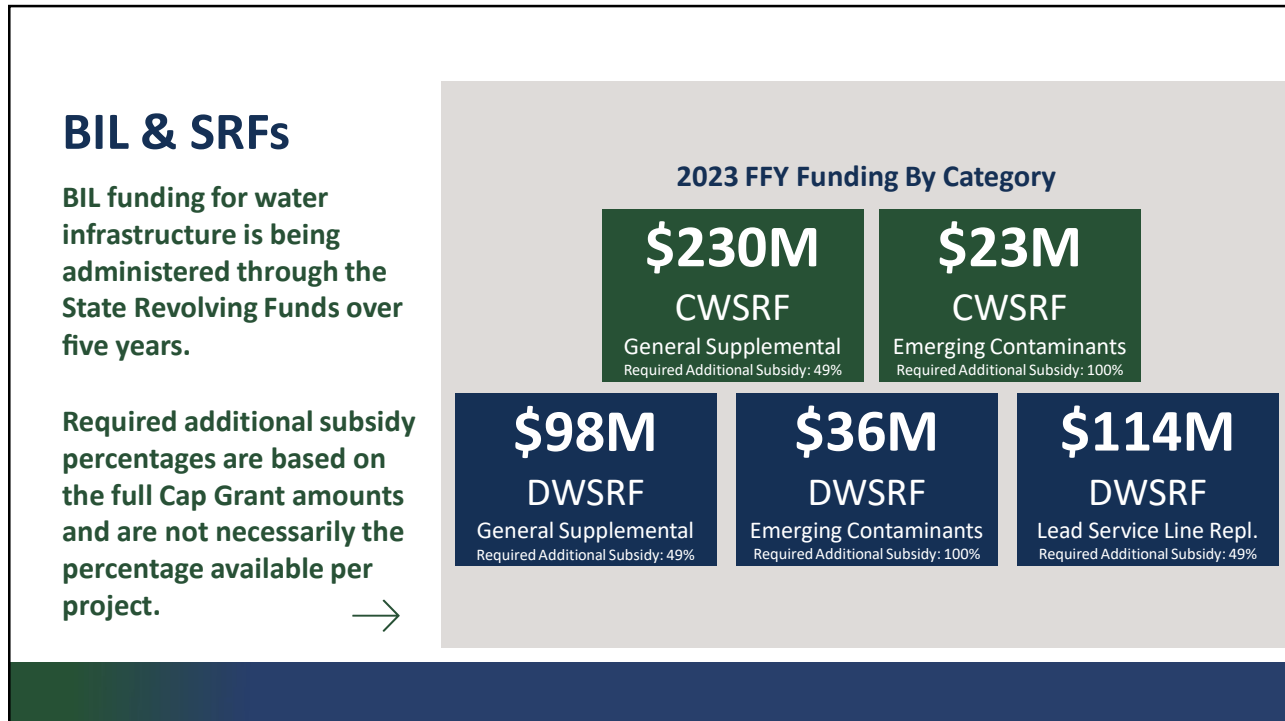
- Provide Public with Safe Drinking Water
- Upgrade or Replace Drinking Water Infrastructure
- Address Non-Compliance with Federal or State Health Standards
- Prevent Future Violations of Federal or State Health Standards

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## Federal Bipartisan Infrastructure Law (BIL)

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## Eligible Projects – CWSRF BIL

<p><b>BIL General Supplemental (GS)</b>                  Municipal water pollution control projects including, but not limited to: Wastewater treatment facilities, pumping stations and sewers, combined sewer overflow abatement; stormwater pollution abatement; and other municipally owned projects or portions of projects that maintain, protect or improve water quality.</p>	<p><b>BIL Emerging Contaminants (EC)</b>                  Construction costs on CWSRF eligible projects whose primary purpose is to address emerging contaminants that are manufactured or naturally occurring physical, chemical, biological radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment, including but not limited to, groundwater or surface water contamination caused by perfluoroalkyl and polyfluoroalkyl substances (PFAS), pharmaceuticals, personal care products, and micro/nanoplastics.</p>
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## 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 in IUP Category D**
- ✓ **Must not have:**
  - Closed an EFC financing or incurred SRF-eligible debt for the project before November 15, 2021;
  - Issued a Notice to Proceed to construction for the project dated before November 15, 2021;
  - Executed a long-term project financing agreement for the project;
  - Substantially completed the project before October 1, 2023;
  - Been on the Subcategory D1 list for two consecutive IUP years without closing on a project finance agreement with EFC.



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## CWSRF BIL GS

- ✓ **A BIL-GS Funding Line is established in IUP Subcategory D1 to identify projects that qualify for BIL-GS Additional Subsidy**
  - Projects are sorted in Blended Affordability Score order
  - Projects above the line, are eligible to receive a BIL-GS Additional Subsidy award letter for the amounts listed
  - Projects below the line, will NOT receive BIL-GS Additional Subsidy in that FFY



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## 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 Category EC 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 October 1, 2023.



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## 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.

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## 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.
  - Additional subsidy may not be used to forgive debt that was incurred prior to November 15, 2021
- ✔ Of the 120 DWSRF projects identified as BIL-GS eligible in the 2023 IUP, 18 were awarded funding



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## DWSRF BIL EC

- ✔ Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed \$ 5 million
- ✔ First priority given to projects that address PFAS
- ✔ At least 25% of the BIL-EC funds will go to state-defined disadvantaged communities or systems with populations under 25,000



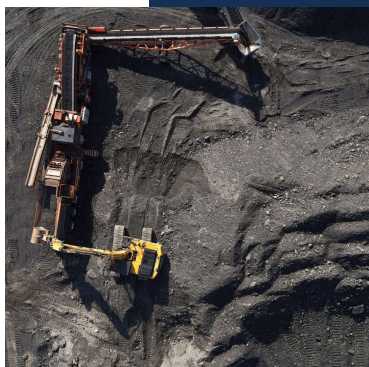
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## DWSRF BIL LSLR

- ✓ **LSL Replacement Projects**
  - Grant funding up to 70% of eligible project costs, net of non-EFC grants, but not to exceed \$ 10 million
- ✓ **LSL Inventory Projects**
  - Grant funding up to 100% of eligible project costs, net of non-EFC grants, but not to exceed \$2 million
- ✓ **Grants will only be awarded to applicants that meet state's disadvantaged community criteria.**
  - Remainder of funding as 0% loan to any eligible applicant.
- ✓ **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**



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## BIL Program Requirements

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<p><b>BIL Program Requirements</b> Includes Base SRF Program Requirements</p>	<p><b>American Iron and Steel (AIS):</b> Requires recipients to use iron and steel products produced in the United States in construction</p> <p><b>DBEs</b> Goals applied to contracts and subcontracts to promote participation opportunities for certified DBEs in governmental procurement contracts</p> <p><b>Davis-Bacon Prevailing Wage</b> Requires Contractors and Subcontractors to pay laborers and mechanics not less than the prevailing wage</p> <p><b>Mandatory T&amp;Cs</b></p>
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## 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
- ✓ 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



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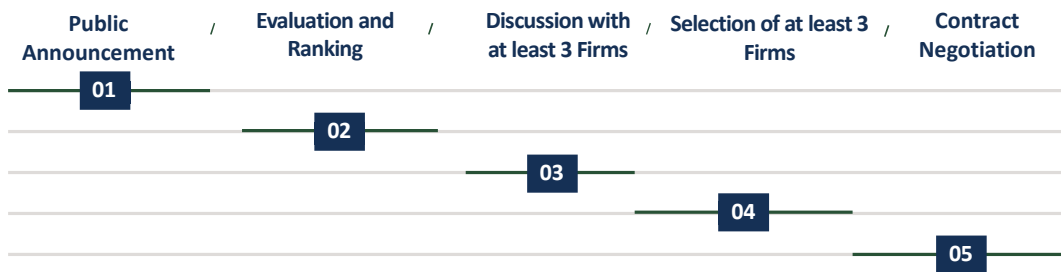
# A/E Procurement Requirements

- ✓ Architectural/Engineering Services Procurement
- ✓ Required for all projects with financing applications submitted after June 16, 2023
- ✓ Consult with your EFC project team if you have additional questions



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## A/E Procurement Required Steps



**01 Public Announcement**  
Public announcement of the solicitation

**02 Evaluation and Ranking**  
Evaluation and ranking of the submitted qualifications statements based on established, publicly available criteria

**03 Discussion with at least 3 Firms**  
Discussion with at least three firms to consider anticipated concepts and compare alternative methods for furnishing services

**04 Selection of at least 3 Firms**  
Selection of at least three firms considered to be the most highly qualified to provide the services required

**05 Contract Negotiation**  
Contract negotiation with the most highly qualified firm to determine compensation that is fair and reasonable based on a clear understanding of the project scope, complexity, professional nature, and the estimated value of the services to be rendered

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## Build America, Buy America (BABA) Act

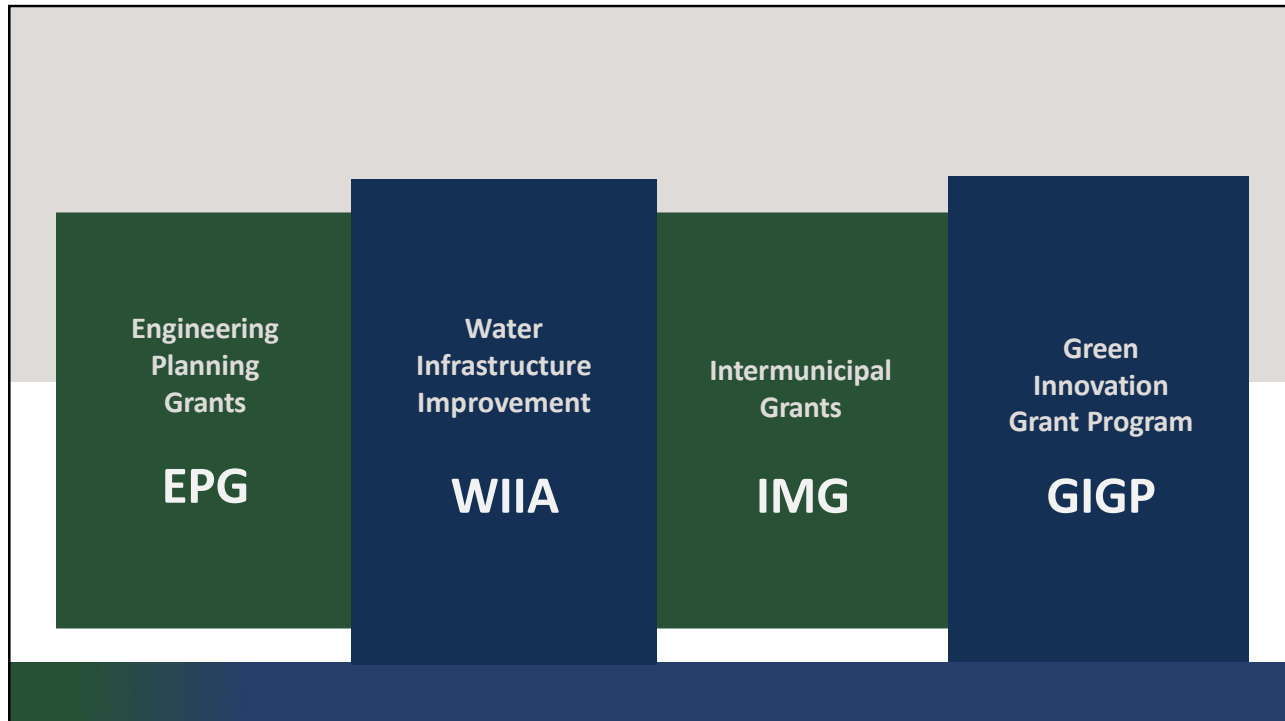
- ✓ All of the iron, steel, manufactured products, and construction materials used in the project must be produced in the United States. BABA was effective May 14, 2022
- ✓ What this means:
  - Iron, steel, and construction materials: All manufacturing processes occurred in the United States
  - Manufactured products: The product was manufactured in the United States, and the cost of components that are mined, produced, or manufactured in the United States is greater than 55% of the product costs
  - Additional guidance forthcoming from EPA and federal Office of Management and Budget
  - EPA issued an implementation waiver for projects where design started prior to May 14, 2022. EFC will notify you if your project is subject to BABA and the implementation waiver applies.

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## Grant Programs

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## Engineering Planning Grants

**Regional Councils**

- Funding for hardship communities to pay for the initial planning of eligible CWSRF projects.
- 30% MWBE/6% SDVOB

**Application period ended August 11<sup>th</sup>**

**Accessed through CFA**

**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

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# 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.

SRF T&Cs (20% MWBE)



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 for a Wastewater Treatment Plant
  - 50-75% grants available
- Water Efficiency
  - Reuse, Conserve or Improve Water Efficiency
  - 50-75% grants available
- Environmental Innovation.

**Application period ended August 11<sup>th</sup>**

**Accessed through CFA**

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## WIIA

Available to Municipalities to fund critical wastewater and drinking water infrastructure projects

Deadline to apply was August 11<sup>th</sup>

### Clean Water WIIA

Municipalities will be awarded 25% of total net eligible project costs, including phases of the project, up to \$25 million.

Grants administered through EFC will not be backed out of net eligible project costs (GIGP, CWSRF)



### Eligible Entities:

- City
- Town
- Village
- County or Town Improvement District
- Indian Nation or Tribe (with Reservation wholly or partly within NYS)
- Public Authority
- Public Benefit Corporation
- School District

### Drinking Water WIIA

Municipalities will be awarded 60% of total net eligible project costs, including the costs for all phases of the project, 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 with no cap

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## Intermunicipal Grants

Available for clean water and drinking water projects that serve multiple municipalities.

- ✔ 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.

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## Technical Assistance

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# Technical Assistance



## Governor's Priority

Governor Hochul announced the creation of Community Assistance Teams to build on EFC's history of assisting communities with accessing funding for water infrastructure projects

## Virtual and In-person Support

EFC staff and staff from our partner agencies are available to provide support to municipalities interested in accessing our funding opportunities through one-on-one consultations and community events

## Visit Our Website

EFC has information about upcoming events and how to request assistance on our website.

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# Thank you!

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- ✓ [design@health.ny.gov](mailto:design@health.ny.gov)

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