



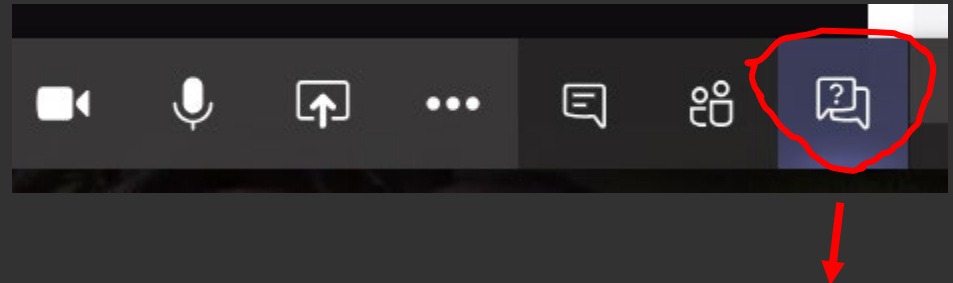
# **FFY20/SFY21 DRAFT INTENDED USE PLANS & PROJECT PRIORITY LISTS**

**JUNE 18, 2020**

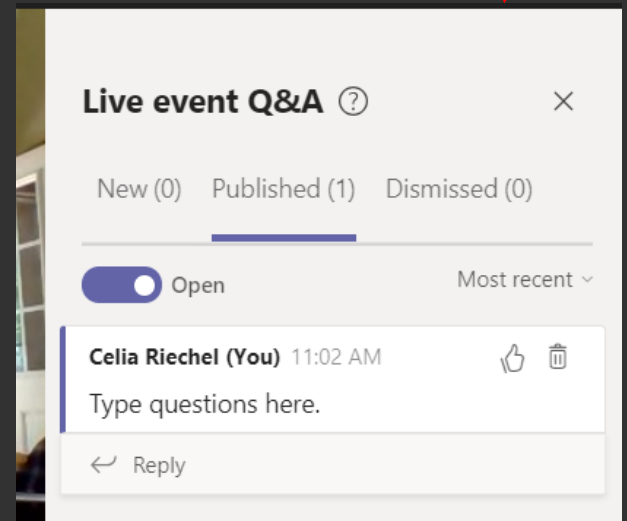


# LOGISTICS FOR TODAY

Submit questions through Teams Q&A



We will collect all questions and answer for whole group at the end of each presentation section.



# SRF COVID-19 RESPONSE

Loan repayment suspension

Potential stimulus information

Increased loan forgiveness in this IUP

Amendment of previous IUP to allow add'l application time

Legislative changes (100% add sub)



## **RTP criteria for FFY21/SFY22**

PER/PTC submitted prior to being placed on the priority list for funding



**No Additional projects will be added during public comment period.**

# SRF UPDATES IN COMMON

# SRF PROGRAMMATIC CHANGES

## 💧 Readiness to Proceed (RTP)/Bypass Criteria

Public Comment Period Closes	7/2/20
Funds Availability Emails Sent	7/16/20
PTC application submitted (DW)	10/1/20
60% Design Submittal (CW)	12/1/20
Obtain PTC (DW)	1/31/21
Positive Bond Vote	5/1/21
FFY20 Step III Funding Application	6/30/21

# DWSRF PROGRAM SUMMARY

# DWSRF FUNDING BREAKDOWN

EPA Grant	\$11,011,000
Set-Asides	(\$3,413,410)
State Match	\$2,202,200
Revolving Funds	\$0*
Carry Forward (anticipated)	\$34,852,974
<b>Total Proposed Project Funds</b>	<b>\$44,652,764</b>
CWSRF – DWSRF Transfer	\$11,000,000

\* Total projected through 6/30/2020

WIFP has postponed all repayments for the next year due to COVID-19

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## DWSRF Set-Asides for FFY20

Set-aside (Maximum 31%)	Funds Available	Grant Request
Administration	\$440,440	\$440,440
Technical Assistance (2%)	\$220,220	\$220,220
Program Management (10%)	\$1,101,100	\$1,101,100
Local Assistance (15%)	\$1,651,650	\$1,651,650
<b>Totals (31%)</b>	<b>\$3,413,410</b>	<b>\$3,413,410</b>

# SET-ASIDE FUND DISTRIBUTION



# SET-ASIDES: TECHNICAL ASSISTANCE

Activity	Amount
Water System Operator Training	\$140,000
Engineering & Compliance Staff – Tech Assist	\$65,220
TNC Technical Assistance	\$15,000
<b>Total</b>	<b>\$220,220</b>

Activity	Amount
Water Loss Control	\$50,000
Capacity Program Asset Management Initiatives	\$50,000
Revised Total Coliform Rule Technical Assistance	\$35,000
Valve Condition and Location Assessment	\$50,000
Drinking Water Education	\$12,000
Local Assistance Program: Engineering Staff	\$558,056
Local Assistance Program: Compliance Staff	\$112,490
Vermont Department of Health MOU	\$20,000
Water Resource Management Staff	\$255,230
Regional Office Staff	\$482,670
Geology Groundwater Mapping	\$26,204
<b>Total</b>	<b>\$1,651,650</b>

## SET-ASIDES: LOCAL ASSISTANCE

# DWSRF – CWSRF TRANSFER

Activity	Available*	Request
Lead-abatement projects	\$11,174,935	\$11,000,000

\* Max of 5% cumulative CWSRF grant

# FFY2019 DWSRF DRAFT PROJECT PRIORITY LIST



**\$44,652,764 available for construction**

65 applications received,  
\$112,403,310 requested



**Draft priority list:**

Fundable range: 26 projects  
Comprehensive list: 39 eligible projects



**Total request: \$66,588,310**



No additional projects added during public comment period

# DWSRF SUBSIDY CHANGES

- **Additional Subsidy (Add Sub)**
  - **\$13,036,514 total available**
    - \$1,541,540 plus \$11,494,974 uncommitted from previous years
- **Disadvantaged Subsidy (Dis Sub)**
  - **\$3,853,850 available (max)**
- **Allocation:**
  - All values are *up to*
  - All Subsidy is first come, first served

# ADDITIONAL SUBSIDY

- **Additional Subsidy**
  - 75% ALV first \$1M
  - 25% forgiveness on anything over \$1M
- **“Hardship Municipality”**
  - 100% up to \$200,000
  - \$400,000 reserved in this IUP

# ADDITIONAL SUBSIDY

- Lead-related projects
- Outstanding Engineering Planning Advances\*
- Standby Power Installation related to previous studies
- Loan Recovery Costs in excess of the outstanding loan value

# DISADVANTAGED SUBSIDY

- **Disadvantaged Subsidy**
  - Traditional Dis Sub calculations
  - 50% max per loan
  - Can be additive with Add Sub, up to 75% ALV
- **Municipally-owned school water systems**
  - Categorically disadvantaged
  - Max \$25,000



# DWSRF PROGRAM CHANGES

## • **Priority List ranking**



- Increase in priority points for microbial contamination, inadequate surface water or GWUDISW treatment
  - Increase priority points for an Asset Management Plan
  - Eliminate points for having a PER, being under enforcement action, or serving community in state-designated program.
- 
- GD#2 updated

# DWSRF PROGRAM CHANGES

- **Readiness to Proceed (GD #4)**
  - Projects failing to meet deadlines will be bypassed
- **Elimination of Negative Interest Rate (GD #10)**
- **Emergency Situations (GD #16)**
  - Water system failures no longer have to be unanticipated to qualify for emergency project bypass
- **Capacity Evaluation (GD #23)**
  - DWSRF evaluates only technical and managerial capacity
  - VBB/VEDA underwriting will serve as evaluation of financial capacity
  - Evaluation will be done remotely

# DWSRF PROGRAM CHANGES

- **Water Planning Loans (GD #22)**
  - \$1M put-aside for this IUP cycle
  - Projects evaluated in batches, quarterly
  - Projects funded according to Plist ranking criteria
  - No planning loan forgiveness
  - Local Assistance Set-Aside reserved for Asset Management Plans and emergency projects

# FY19 DWSRF IUP CHANGES

- Addition of Timberline Condominium Association
  - Project to address inadequate supply
  - Approximately \$72,000 project cost
  - Emergency project

# CWSRF PROGRAM SUMMARY

# CWSRF FUNDING BREAKDOWN

- \*WIFP has postponed all repayments for the next year due to the Pandemic

State Match – FFY20	\$1,556,000
- FFY19	\$48,583
Repayments	\$0*
Carry Forward	\$80,951,819
<b>Total Proposed Project Funds</b>	<b>\$90,336,402</b>

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# SFY2020/ FFY2019 CWSRF DRAFT PROJECT PRIORITY LIST



**\$90M available for projects**



**Draft priority list breakdown**

41 projects currently, all fundable,  
totaling \$81.5 M

28 additional projects will be  
looking for strictly planning funds,  
totaling \$12.8M.

# CWSRF PROGRAM CHANGES

- **Chapter 2 ranking updates**

- PC Grants 10%-35%
- Priority Points
  - Used for both Loan and PC grant priority Lists
  - Used for PC Grant % calculation to be applied to entire project
  - Priority points awarded under 9 categories including Public Health, Water Quality, Affordability, and Project Readiness.
  - No new categorical grants will be issued; however, there are two remaining retroactive categorical PC Grants on the list that are outstanding.



# INTERIM FINANCING

- **\$10M 'put aside'**
  - Municipalities at 0%
  - Private entities at 0.6%
  - 5-year loan; very low payments years 1-4, balloon payment year 5
- **Eligible natural resources projects:**
- First come, first served

Wetland restoration

Floodplain/stream restoration

River corridor easements

Easements

Woody buffer planting

Dam removal

Gully stabilization

Forestland conservation

Lake shoreland retrofit, erosion repair

# WATER INFRASTRUCTURE SPONSORSHIP PROGRAM – WISPR

- Traditional CWSRF projects “sponsor” Natural Resources projects targeting non-point sources
- Natural Resource project 100% forgiven
- 0.1% administrative fee reduction for sponsoring municipality
- ON HOLD FOR NOW...

# STORMWATER LINKED DEPOSIT MECHANISM

- \$1M seeding a new funding mechanism for funding demand created by 3-acre stormwater program funding (AKA Stormwater General Permit 3-9050)
- For private (non- and for-profit) entities and residential associations in the Lake Champlain and Lake Memphremagog Basins

# CWSRF PROPOSED ADDITIONAL SUBSIDY

- **\$1.5 M in Planning Loan Additional Subsidy in Loan Forgiveness**
- **50% Planning Subsidy**
  - 50% forgiveness on all preliminary engineering and final design
  - Maximum forgiveness up to \$100k per project/\$250k/borrower per year
  - First-come first-served
- **100% Planning Subsidy**
  - Long term control plans/H&H modeling—100% up to \$100k, Rain Gauges for CSO Rule compliance, CSO flow monitoring equipment .
  - Additive to the planning subsidy (max \$100k per project and \$250,000 per borrower)

# CWSRF PROPOSED ADDITIONAL SUBSIDY

- **Village Wastewater Initiative** (populations under 2,500)
  - Planning Subsidy - \$500,00
    - 100% forgiveness up to \$125,000 per project on all preliminary engineering and final design
  - Construction Subsidy - \$1,250,000
    - 50% forgiveness up to \$1,250,000
    - Must serve a designated center as defined by ACCD
- **Lakes in Crisis**
  - Total additional subsidy of \$450,000
    - Planning, design, and construction Long term control plans/H&H modeling— 100% up to \$100k (does not count toward borrower cap)
- AND....Wait, there's more...

# CWSRF PROPOSED ADDITIONAL SUBSIDY

- **Construction Subsidy - \$8.4M**
  - Hardship Municipalities would be eligible for 40% additional subsidy in the form of loan principal forgiveness, up to \$2M per borrower
  - Is not additive to any other construction subsidy in the IUP

# CWSRF PROPOSED ADDITIONAL SUBSIDY

- **Qualifying for additional subsidy**
  - All Additional Subsidy is provided on a first come first served basis
  - Municipal Only
  - Additional Subsidy is considered reserved for a project upon receipt of the following:
    - Funding Application
    - Qualifications Based Selection Process complete and approved
    - Draft ESA submittal
    - Meeting readiness to proceed criteria
  - Additional subsidy is not guaranteed to an applicant until it is obligated by the program following loan approval by the Department and an Authorized Letter of Funding is issued from the program.

# **QUESTIONS AND COMMENTS**