

Bipartisan Infrastructure Law Funding Opportunities for PFAS and other Emerging Contaminants

EPA R10 BIL Emerging Contaminant Funding Point of Contact

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Focus is on PFAS, but all Emerging Contaminants are eligible

- ▶ Any contaminant that EPA does not currently regulate through SDWA or CWA and is a concern for human health or the environment
- ▶ SDWA: EPA's Contaminant Candidate Lists
- ▶ CWA: Water quality related emerging contaminants
- ▶ Region 10's top emerging contaminants of concern
 - ▶ PFAS
 - ▶ Manganese
 - ▶ Cyanotoxins
 - ▶ 6PPD-q

BIL Funding Nationally Over 5 Years

\$4B	\$1B	\$5B
Drinking Water State Revolving Loan Fund	Clean Water State Revolving Loan Fund	Emerging Contaminants in Small and Disadvantaged Communities Drinking Water
PFAS focus	Open to all ECs	PFAS focus
25% to Disadvantaged Communities	Wastewater, stormwater focus	Systems serving fewer than 10k people or disadvantaged
No Match	No Match	No Match

FY22+FY23 Allocations for Washington

EC-SDC

~\$33M

DWSRF-
EC

~\$34M

CWSRF-
EC

~\$5M

Eligibilities

- ▶ Projects must be **otherwise eligible under the base program** and the **purpose must be to address emerging contaminants.**
- ▶ CWSRF Emerging Contaminants examples
 - ▶ PFAS
 - ▶ Biological contaminants/microorganisms
 - ▶ Some Pharmaceuticals and personal care products
 - ▶ Nanomaterials and Microplastics (e.g., 6PPD-q)
- ▶ DWSRF or EC-SDC Emerging Contaminants
 - ▶ PFAS
 - ▶ Microbial contaminants (e.g., cyanobacteria)
 - ▶ Manganese
 - ▶ Any other contaminant listed on any of EPA's Contaminant Candidate Lists (i.e., CCL1 – draft CCL5)

Types of Activities

Purpose must be to address emerging contaminants and be otherwise eligible under the funding program

- ▶ **Drinking water or wastewater treatment infrastructure**
- ▶ Baseline testing and sampling
- ▶ Scoping and identification
- ▶ Research and testing
- ▶ Planning and design
- ▶ Source water protection activities
- ▶ Storage
- ▶ Water system consolidation
- ▶ Technical assistance
- ▶ Public communication, engagement, and education

Examples

- ▶ Septic to Sewer project where there were known pharmaceutical and personal care products detected in the groundwater
- ▶ PFAS treatment at a WWTP where PFAS have been detected in the biosolids
- ▶ Installation of UV or GAC treatment for a drinking water facility
- ▶ Consolidating with another water system that does not have emerging contaminants present or has removal capability

What about private wells?

- ▶ Private wells can be sampled if the purpose is determining if the individual private wells should be connected to an existing public water system or create a new public water system.
- ▶ SDWA 1459A does not allow funding to be used for remediation of a contaminated aquifer or the treatment for an individual well.

Further Information

- ▶ BIL SRF Memo and related helpful documents
 - ▶ <https://www.epa.gov/dwsrf/bipartisan-infrastructure-law-srf-memorandum>
- ▶ Frequent Questions on BIL SRF (see “Eligibilities” section)
 - ▶ <https://www.epa.gov/dwsrf/frequent-questions-about-bipartisan-infrastructure-law-state-revolving-funds>
- ▶ Emerging Contaminants in Small and Disadvantaged Communities
 - ▶ <https://www.epa.gov/dwcapacity/emerging-contaminants-ec-small-or-disadvantaged-communities-grant-sdc>
- ▶ Clean Water SRF Emerging Contaminants
 - ▶ <https://www.epa.gov/cwsrf/clean-water-state-revolving-fund-emerging-contaminants>



Funding for Emerging Contaminants

Stephanie Allen- Water Quality Program (WQP)

October 2023

Topics of Discussion

- 1** Introductions & Agenda
- 2** Funding Program and Available Funds
- 3** What are Emerging Contaminants?
- 4** Project Eligibility
- 5** Funding Timelines and Common Requirements

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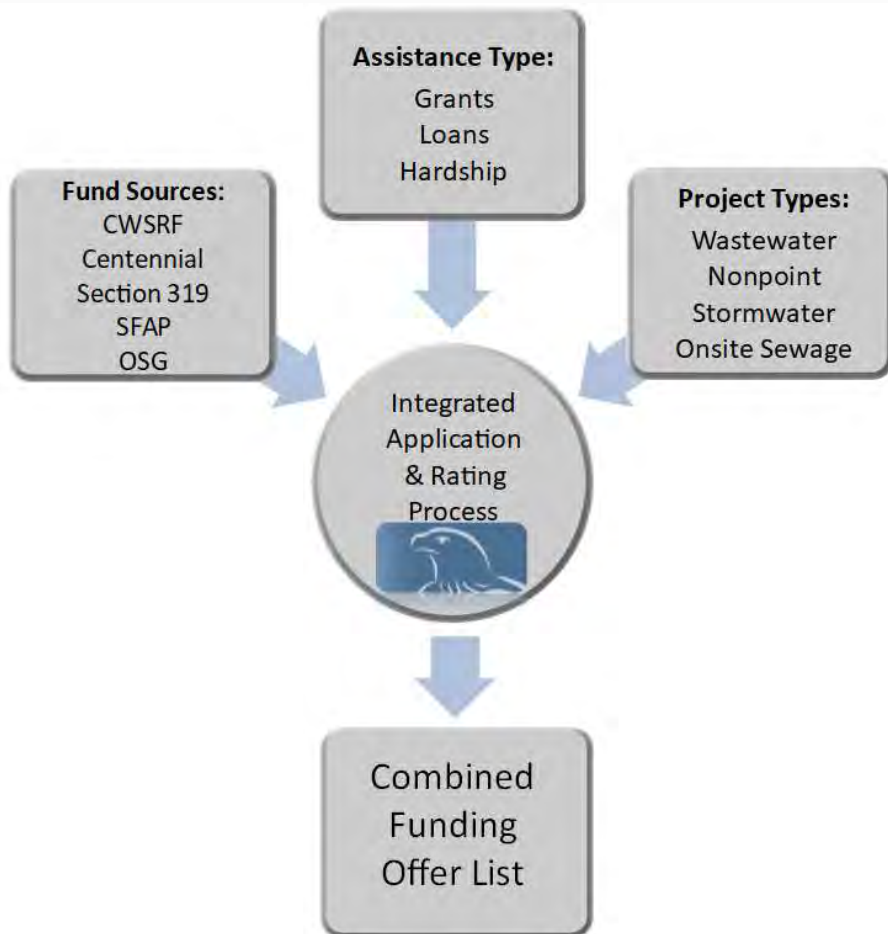
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Combined Funding Program



- Multiple water quality project types
- Multiple funding sources
- One application and offer list
- [Water quality combined - Washington State Department of Ecology](#)

Clean Water State Revolving Fund (CWSRF)



BIL CWSRF Emerging Contaminants Fund

- Can be used for any of the 12 CWSRF eligibilities
- The purpose must be to address emerging contaminants
- Not eligible: Projects that address contaminants with water quality criteria established by EPA under CWA section 304(a), except for PFAS

FY25
\$4.5M



What are Emerging Contaminants ?

- Substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials
- These materials are known or anticipated in the environment and may pose newly identified or re-emerging risks to human health, aquatic life, or the environment.
- Contaminants with water quality criteria established by EPA under CWA section 304(a), except for PFAS, are not considered emerging contaminants. This includes nutrients (e.g., ammonia, nitrogen, and phosphorus), certain organics, and certain metals.



What are Emerging Contaminants ?

- PFAS and other persistent organic pollutants
- Biological contaminants and microorganisms
- Pharmaceuticals, personal care products
- Nanomaterials
- Microplastics, non-plastics



What projects are eligible for CWSRF EC funding?



Wastewater Treatment



Wastewater Conveyance



Infiltration and Inflow (I/I)



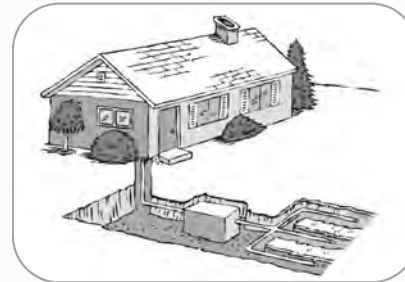
Reclaimed Water



Combined Sewer Overflows (CSO)



Large On-site Sewage Systems (LOSS)



On-site Sewage Systems



Public Outreach and Education

Eligible Applicants (Section 1.1 Funding Guidelines)

Cities

Towns

Counties

Sewer
Districts

Tribes

Irrigation
Districts

Eligible Project Types (Section 2.1 Funding Guidelines)

Step 1- Planning

General sewer plans

Engineering reports

Value planning or
engineering studies

Rate studies

Environmental and
cultural resources review

Step 2- Design

Engineering plans
and specifications

Environmental and
cultural resources
review

Step 3- Construction

Construction

Construction
management

Step 4- Design & Construction

Combined facility design
and construction
projects

Total project cost up to
\$7M

5-years to complete
project

Design must be
complete within 1-year
of signing funding
agreement

Submit planning/design docs by 10/12/23 (application deadline). Approvals due by 12/13/23. 20

Important Dates



March - July

August - October

Workshops: 8/22 - 8/24/23

Submittal: 8/15 - 10/12/23

October - December

Evaluation, Rating and Ranking:

10/12-12/22/23

January - February

Draft List Published: 1/30/24

Public Comment: 1/30-2/29/24

June-July

Final List Published: 7/1/23

July - January

Must be signed by 1/31/25

Costs may be eligible as of 7/1/24

Next 1-5 years

Work starts no later than April 2025

Work continues through

*June 2027 (activities) or June 2029 (facilities)



Common Funding Agreement Conditions

- State public works and A/E procurement rules
- Growth Management Act (GMA) compliance
- Environmental and Cultural Resources Review
- Investment Grade Efficiency Audit (IGEA)
- American Iron and Steel (AIS) and Build America, Buy America (BABA)
- Federal Davis-Bacon Act wage requirements
- Fiscal Sustainability Plan (FSP), aka Asset Management Plan



Thank you!

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DRINKING WATER STATE REVOLVING FUND

Office of Drinking Water

S20 BIL Funding Opportunities for PFAS and Other Emerging Contaminants

Infrastructure Assistance Coordinating Council Conference

October 25, 2023



Jocelyne Gray

DWSRF Environmental Engineer

Drinking Water State Revolving Fund (DWSRF) Program

Definitions

- Drinking Water State Revolving Fund (DWSRF)
- Bipartisan Infrastructure Law (BIL) = Infrastructure and Investment Jobs Act (IIJA) = federal infrastructure funding law passed in November 2021.
- Disadvantaged Community (DAC) as defined in the emergency rule and Construction Loan Guidelines.

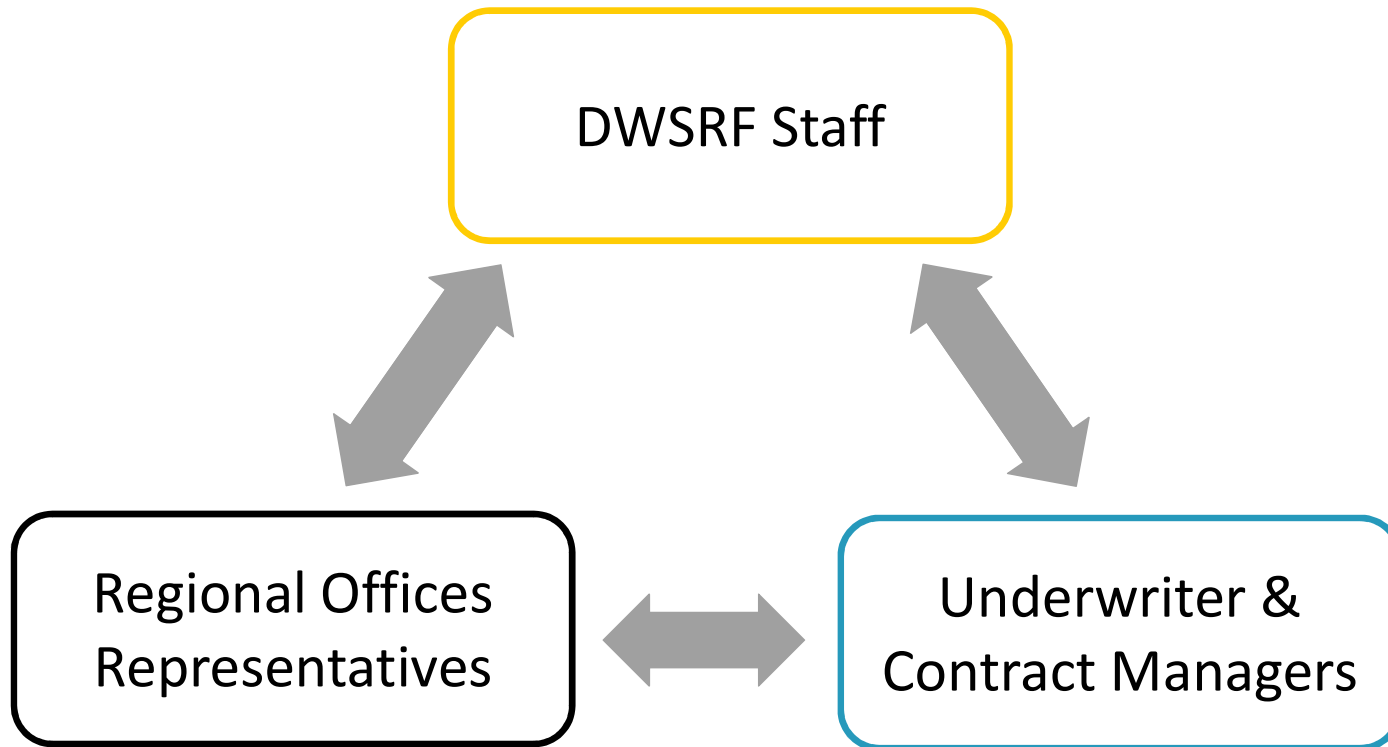
Definitions (continued)

- BIL Emerging Contaminants (EC) Funding = BIL loan for construction projects that address emerging contaminants. Subsidy available.
- Subsidy = loan principal forgiveness. Applied once the construction project **is completed**. Loan principal and interest payments required **during** design and construction.

ORGANIZATION



Drinking Water State Revolving Fund (DWSRF) Team



DWSRF Staff Contacts

Program Manager

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Scope of Work, Funding Cycles, and Technical Questions

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WALT Application and General Questions

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Need to Know



Eligible Systems for Loans



Group A Community



Public or Private
Homeowner's
Association (HOA)
or other not-for-
profit groups
must submit
articles of
incorporation and
tax-exempt status
documentation.

Group A Noncommunity

Public Not-For-
Profit
Transient or
Nontransient
Must submit
tax-exempt
status
documentation.



Tribes

Group A
water
systems

Must be not-
for-profit for
Emergency
Loan.

Must serve less than 10,000 people for Emergency Loan.

Construction Loan Additional Eligible Systems



Group B System

Being restructured into a Group A water system.

Multiple Group B systems consolidated into a single Group A system.



Private Wells

Multiple lots consolidated into an existing Group A.

New centralized Group A water system.

Disadvantaged Community (DAC)



Affordability Index

Annual Average Water Rate

divided by

Median Household Income (MHI)

Multiplied by

100 equals

Percentage



Environmental Health Disparity Average Rank

Environmental Exposures +

Environmental Effects +

Sensitive Populations

Divide the sum by 3 to get average ranking.



Social Vulnerability Average Rank

Household Composition & Disability +

Housing Type and Transportation +

Socioeconomic Determinates

Divide the sum by 3 to get average ranking.

Available Funding



Construction Loan

DWSRF Capitalization

DWSRF Loan Repayments

BIL Supplemental

BIL Emerging Contaminants

Subsidies Available



BIL Emerging Contaminants Loan

100% subsidy to all applicants

25% to DAC or systems serving
less than 25,000 people

Available Subsidy (Loan Principal Forgiveness)



DWSRF Capitalization

12% - 35% subsidy to DAC

14% as additional subsidy to any applicant



BIL Emerging Contaminants

100% subsidy to all applicants

25% to DAC or systems serving less than 25,000 people

Other Available Funding



Planning & Engineering Loan

DWSRF Loan Repayments
No Subsidies



Emergency Loan

DWRSF Loan Repayments
No Subsidies



Consolidation Feasibility Study Grant

100% Grant
No Match
DWSRF Loan Fees
DWSRF Set-Asides

FUNDING SPECIFICS



Planning and Engineering Loan

1

Award

\$500,000 Max
Award Per
Jurisdiction

First Come,
First Served

2

Availability

Year-Round

\$3 Million
Total Every
July

From Loan
Repayments

3

Loan Terms

0% Interest

2% Service
Fee

10-Year Loan
Term

Complete in 2
Years

Planning and Engineering Loan Eligible Projects

- Planning Documents
 - Water System Plan (WSP) creation, update, or amendment
 - Small Water System Management Program (SWSMP) development or update
- Engineering Design—project reports, pilot studies, construction documents
- Consolidation Feasibility Studies
- Field Surveys
- Permits
- Value Planning
- Cultural and Historical Reviews
- SEPA, if required

Contact Your Regional Planner

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Construction Loan

1

Award

\$12 Million
Max Award Per
Jurisdiction
Competitive

2

Availability

October and
November
\$120 Million Total
Standard
Construction and
**\$17 Million For
Emerging
Contaminants**
From Fees, Loan
Repayments, and
EPA Grants

3

Loan Terms

2.25%
Standard
Interest
1% Service Fee
20-Year Loan
Term
Complete in 4
Years
Subsidy
available

Construction Loan Emerging Contaminants Priorities

1. PFAS above the State Action Levels (SAL) – Risk Category 2
2. PFAS below the SAL – Risk Category 3
3. Cyanobacteria – Risk Category 1
4. Manganese above the EPA Health Advisory Level (HAL) – Risk Category 3
5. Manganese above the secondary MCL – Risk Category 4
6. Other emerging contaminants – Risk Categories 3 or 4



Consolidation Feasibility Study Grant

1

Award

\$50,000

Competitive

\$800,000 total
available
through June
30, 2024

2

Availability

Starting in 2024:

Year-round
application
submittal

Quarterly
application
reviews

3

Grant Terms

Complete in 2
Years

Funding
available for
connection
fee-only
projects.

Consolidation Feasibility Study Grant Eligible Applicant Systems



Group A Community

City

Town

County

Public Utility District

Water District

Not-For-Profit



Tribal Community

Not-For-Profit

Applicant must have 5 years experience managing a Group A water system and must be in good standing with Department of Health.

Consolidation Feasibility Study Grant Eligible Systems to Include in Study

- The Group A Community System can restructure or consolidate
 - Any Type of Group A (Community, NTNC, or TNC) serving less than 10,000 people
 - Group B
 - Lots on Private Wells

Consolidation Feasibility Study Grant Eligible Projects

- Consolidation/Restructuring Feasibility Study
- Planning Document – Small Water System Management Program (SWSMP) creation for restructuring or Water System Plan (WSP) update or amendment for consolidation or restructuring
- Engineering Design
- Connection Fee Payment
- Material Purchase
- Community Engagement and Meetings
- **NO Construction, not even a Meter Installation**



Emergency Loan

1

Award

\$500,000 Min
Per Jurisdiction

First Come,
First Served

Scored

**Must Include
Construction
Component**

2

Availability

Year Round

\$1 Million Total
Every July

From Loan
Repayments

3

Loan Terms

0% Interest

1.5% Service
Fee

10-Year Loan
Term

Complete in 2
Years

Emergency Loan Eligible Emergencies

- Wildfire
- Drought
- Flood
- Earthquake
- Wind Damage (Tornado or Wind Storm)
- Building or Equipment Fire
- Lightning Strike (electrical damage)
- Contamination causing Do Not Drink or Do Not Use (extreme levels of PFAS)
- Installation of Disinfection for Boil Water Advisory (*E. coli* in source)
- Theft or Vandalism of Critical Equipment (includes cybersecurity breaches)

**WATER SYSTEM MUST
DECLARE AN EMERGENCY**

Emergency Loan Eligible Systems

Water systems serving less than 10,000 people

- Group A Community—public or private
 - Homeowner’s Association (HOA) or other groups must submit articles of incorporation
- Group A Noncommunity—not-for-profit
 - Must submit tax-exempt documentation
- Tribally-owned not-for-profit community not receiving tribal set-asides

Emergency Loan Eligible Projects

- New construction, reconstruction, replacement, rehabilitation or temporary repair of infrastructure—source, treatment, storage, pumps, and distribution system
- Generators and treatment equipment rental
- Intertie or consolidation with a neighboring water system that can provide safe and reliable water
- Emergency caused by natural disaster or other event disrupting water service **NOT caused by deferred maintenance**

Emergency Loan Ineligible Projects

- Trucked water
- Bottled water
- Repairs due to deferred maintenance
- Design only

RISK CATEGORIES FOR SCORING



Risk Categories

Risk Category 1: The proposed project eliminates a documented microbial contamination.

Risk Category 2: The proposed project eliminates primary inorganic chemical contamination, PFAS contamination, or addresses water shortages associated with a declining aquifer (eligible communities identified in Appendix A).

Risk Category 3: The proposed project eliminates other primary chemical risk, addresses a sanitary survey significant deficiency, disinfection installation, receiverships, or EPA chemical Health Advisory (HA).

Risk Categories (continued)

Risk Category 4: The proposed project addresses a secondary Maximum Contaminant Level (MCL), resiliency, seawater intrusion risk, sanitary survey significant finding, 80 percent of nitrate or arsenic MCL, transmission line replacement or a restructuring or consolidation project.

Risk Category 5: The proposed project must include components for infrastructure sustainability.

DWSRF Webpage

- Funding Cycles
- Disadvantaged
Community Resources
- Funding Resources
- Contacts



Questions?



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Environmental Engineer

Drinking Water State Revolving Fund (DWSRF) Program

www.doh.wa.gov/dwsrf



@WADeptHealth



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