



Water Quality Combined Funding Program (WQC)

Sarah Zehner – Stormwater Funding Coordinator

Website Updates

- We've updated our <u>Water Quality Grants and Loans home page</u>
- Improved navigation to Applicant and Recipient resources
- Has WQC Offer Lists, EAGL map, Outcomes StoryMaps! Really cool stuff!

\$

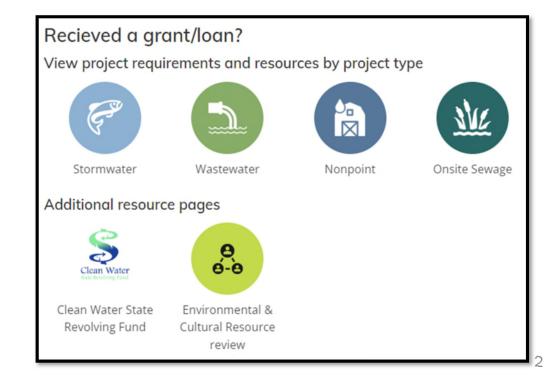
Apply

Water Quality Combined Funding Program

Our Water Quality Combined Funding is an integrated funding program for projects that improve and protect water quality throughout the state. Projects include: wastewater, stormwater, nonpoint source activities, and on-site sewage systems. We use an **annual single-application** process to award funding from multiple sources all at once, through a competitive

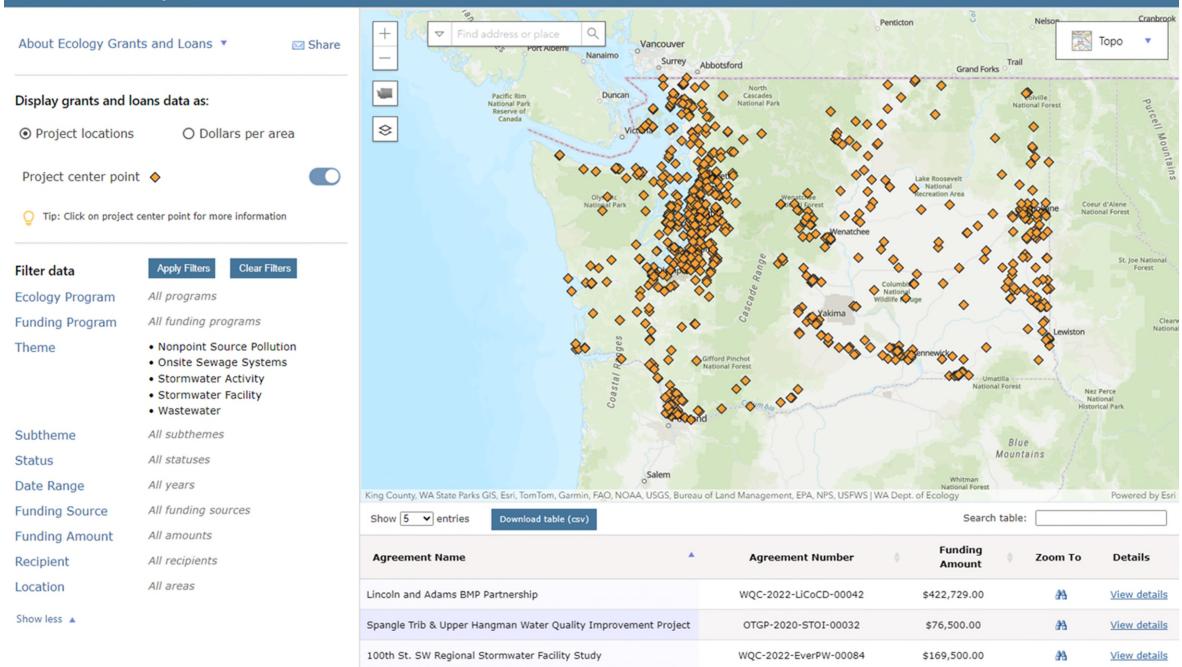
ranking process. Projects are scored and ranked based on how much they will benefit water quality and how ready the project is to go to the next step. We create funding packages to meet applicant's needs with the best available funding from several different grants and loans.

Visit our applicant page to view our applicant workshops that explain how to apply.



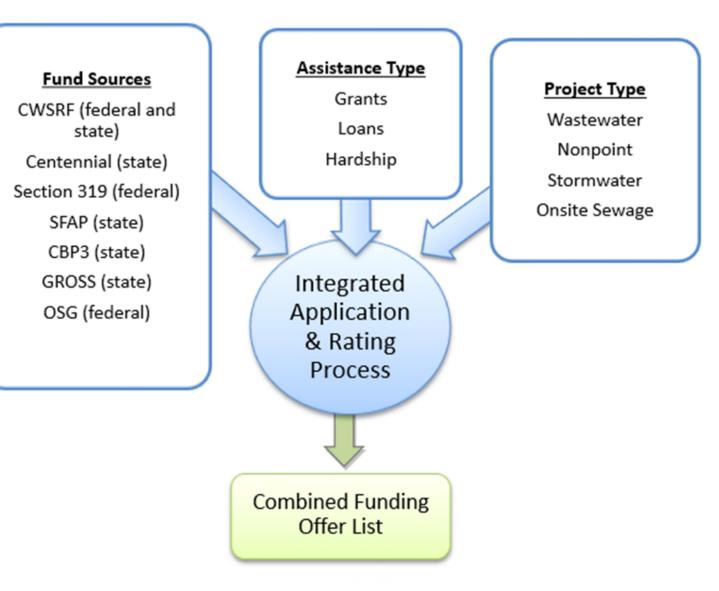


Ecology Grants and Loans (2014 - Present)



Combined Funding Program

- Multiple water quality project types
- Multiple funding sources
- One application
 - Same scoring criteria
 - Specific tips and guidance for each project type
- One Offer List



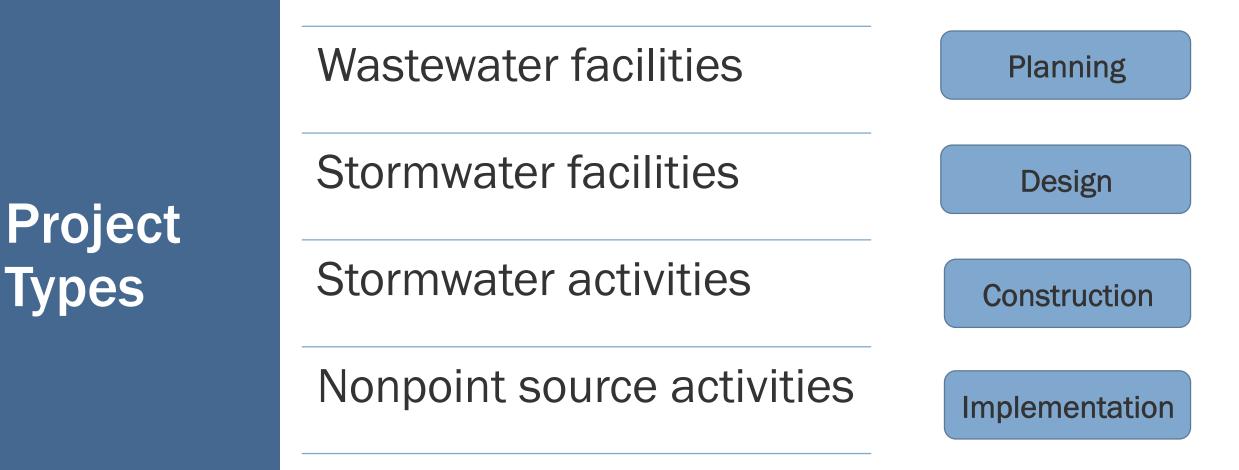
Fund Sources

7 "Pots" of funding

- Clean Water State Revolving Fund (CWSRF)
 - Now includes BIL
- Centennial Clean Water Grants (Centennial)
- Clean Water Act Section 319 Nonpoint Source Grant Program
 (Section 319)
- Stormwater Financial Assistance Program (SFAP)
- Stormwater Community-Based Public-Private Partnership Program (CBP3)
- Municipal Stormwater Grants of Regional or Statewide Significance (GROSS)
- Sewer Overflow and Stormwater Reuse Municipal Grants Program (OSG)

Eligible Applicants by Fund Source

Applicant	CWSRF/ OSG	Centennial	Section 319	SFAP	CBP3	GROSS
Conservation Districts	Х	Х	X			
Counties, cities/towns	Х	Х	x	х	X	x*
Federally recognized tribes	Х	Х	x			
Institutions of higher education	х	X	Х			
Irrigation districts	Х	Х	X			
Local health jurisdictions	Х	Х	x			
Nonprofit organizations			X			
Port districts	Х	Х	X	Х		
Quasi-municipal corporations	х	х	x			
Sewer districts	Х	Х	X			



Onsite sewage systems

Funding Sources for Wastewater Projects



Up to \$50M CWSRF per applicant

Clean Water State Revolving Fund (CWSRF)

Centennial Clean Water Program (Centennial)

Up to \$5M combined amount of grant and forgivable loan

NO MATCH REQUIRED for SRF or Centennial

Forgivable **Principal Loan** Grants OSG Emerging Contaminant \$1.7M \$4M

Standard Loan

Wastewater Facilities



Wastewater Treatment



Wastewater Conveyance



Infiltration and Inflow (I/I)



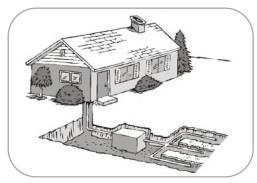
Reclaimed Water



Combined Sewer Overflows (CSO)



Large On-site Sewage Systems (LOSS)

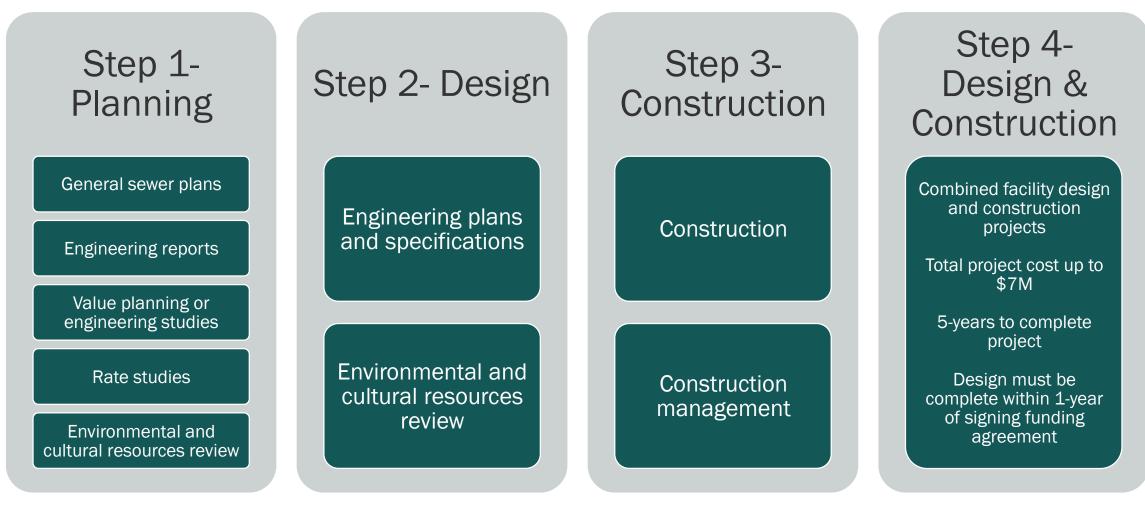


On-site Sewage Systems



Public Outreach and Education

Wastewater Facilities





Wastewater Small Community Project Priority List (SCPPL)

- Communities only apply once during project life, no need to reapply as steps are completed.
- Reduce barriers to accessing and using Ecology WW funds.
- Keep projects moving instead of long waits between steps.
- Meet anticipated WW infrastructure needs based on planning and design work currently funded.

Funding Sources for Stormwater Projects Stormwater Financial Assistance Program (SFAP)

- Funds projects that manage run-off from existing development (retrofit) and enhanced activity programs.
- Cap of \$10M per year; Match 15%, Hardship match 5%

Stormwater Community-Based Public-Private Partnership (CBP3) Program

• Funds the pre-planning and planning of stormwater facilities and activities that will be implemented through the development of CBP3s, performance-based contracts, and other forms of alternative procurement.

• No match required

Municipal Stormwater Grants of Regional or Statewide Significance (GROSS)

- Funds projects that support implementation of the NPDES Municipal SW General Permits.
- Must benefit multiple permittees or statewide.
- Cap of \$300K; No match required

Funding Sources for Stormwater Projects

Clean Water State Revolving Fund (CWSRF)

- Can fund treatment of water from any urban source, including new and re-development.
- May include forgivable principal for hardship communities or Green Project Reserve (GPR).
- Cap of \$50M CWSRF per applicant. May be used as match for state grants (grant/loan combo).

CWSRF Emerging Contaminants

- 100% forgivable loan funding authorized in BIL, so has full federal BABA requirements.
- Funds projects that address new or emerging substances that pose a risk to health or the environment.

Sewer Overflow and Stormwater Reuse Municipal Grants Program (OSG)

- Federal grant with full federal BABA requirements.
- Funds projects that address combined sewer overflows, sanitary sewer overflows, or stormwater management.

Stormwater Facilities

Step 1 Planning Stormwater Quality Plans Mapping SW

Project Prioritization

Infrastructure

Conceptual Designs

Community Partner Engagement Engineering Plans and Specifications

Step 2 Design

Step 3 Construction

Construction

Construction Management

Property or Easement Acquisition Step 4 Design & Construction

Combined Design and Construction Projects

Total Project Cost up to \$300K

Environmental and Cultural Resources Review

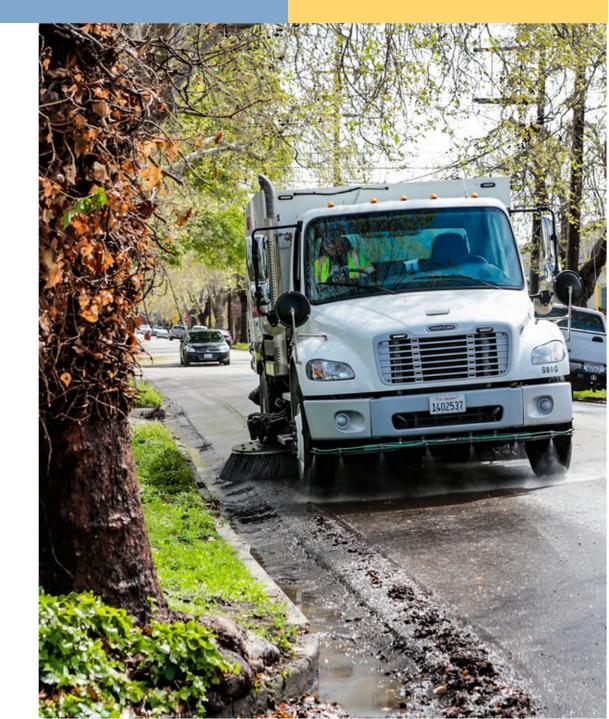
Stormwater Activities

Source Control Program

- Includes development of:
 - Outreach materials
 - Data management systems
 - Staff training programs

Enhanced Maintenance Plan

- Uses data to develop an improved, data-driven maintenance program.
- Required to apply for SFAP grant for maintenance equipment and facilities.
- One-time capital investment to support implementation of the Ecology-accepted EMP.



Community-Based Public-Private Partnership (CBP3) Funding Program

Phase I: Capacity and Partnership Building (Apr-July 24)

• Outreach/education and technical assistance

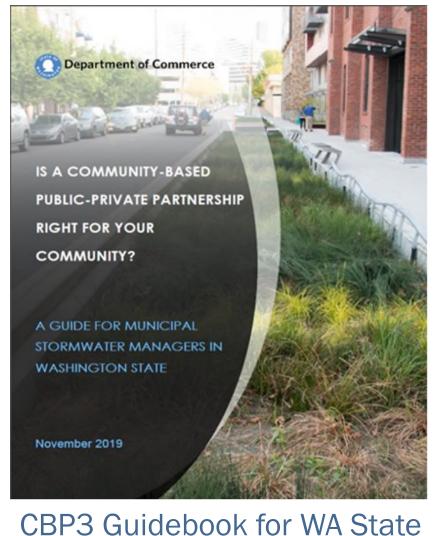
Phase II: Grants to Cities and Counties (SFY26)

• Award grants to cities and counties for planning

Phase III: Pilot Project Implementation (Future)

- Implementation of projects developed in Phase II
- Ongoing planning projects
- Dependent on inclusion in legislative budget

Sarah Ponte CBP3 Planner <u>sarah.ponte@ecy.wa.gov</u> (546)669-4701



Municipal Stormwater Grants of Regional or Statewide Significance (GROSS)

Eligible applicants

Phase I or Phase II
 NPDES Municipal
 Stormwater General
 Permittees

Eligible projects

- Support implementation of permit requirements
- Directly benefit multiple permittees or demonstrate a clear regional or statewide significance or value

Funding provisions

- Max funding award of \$300,000 per project
- No minimum grant award
- No match
- Up to \$1 million dollars available

Funding Sources for Nonpoint Projects

Up to \$500k grant per project

Nonpoint

Clean Water Section 319 (Section 319)	Grants
Centennial Clean Water (Centennial)	Grants
Clean Water State Revolving Fund (CWSRF)	Standard Loan
Up to \$25M CWSRF loan per applicant	Forgivable Principal Loan

NO MATCH REQUIRED for Section 319 or Centennial

Nonpoint Source Pollution: Restoration

- Riparian buffers
- Lakes
- Wetlands
- Stream
 - Grading and bank stabilization
 - Installation of large woody debris
 - Channel re-establishment/ re-meander



Nonpoint Source Pollution: Agricultural BMPs

- Conservation-based cropping systems
 - Direct seed high residue retention
- Livestock feeding and offstream watering BMPs
- Livestock exclusion



Nonpoint Source Pollution: Land Acquisition

- Property purchase and conservation easements for:
 - Riparian areas
 - Watershed protection
 - Wetland preservation and protection
 - Drinking source water protection



Onsite Sewage Systems

- CWSRF loan and Centennial grant
- Large Onsite Sewage Systems (LOSS)
- Planning and Surveys

 Data collection
 Hot spot detection
 Outreach and education
- Composting Toilet Systems
- Local Loan Program
 - Provide loans to local governments to establish a loan program
 - Repair and replacement for individual homeowners



- Regional Loan Program
 - Statewide partnership between local governments, DOH, Ecology, and a financial institution partner

CWSRF is big program

- Standard Loan
 - Low interest loans funded through the annual Federal EPA Cap grant
 - Bipartisan Infrastructure Law (BIL) funding (SFY23-27)
 - Emerging Contaminants funding
 - Loan repayments (principal and interest)

- Forgivable Principal Loan
 - Available for:
 - o Hardship
 - Green project reserve (GPR)
 - Only provided if applicant is willing to accept loan
 - Must be awarded along with a standard CWSRF loan







Interest Rates

Loan Term	Interest Rate for Most Projects	Interest Rate for OSS/NP Projects
5 Years	1.0%	0.7%
20 Years	2.0%	1.4%
30 Years	2.7%	2.0%

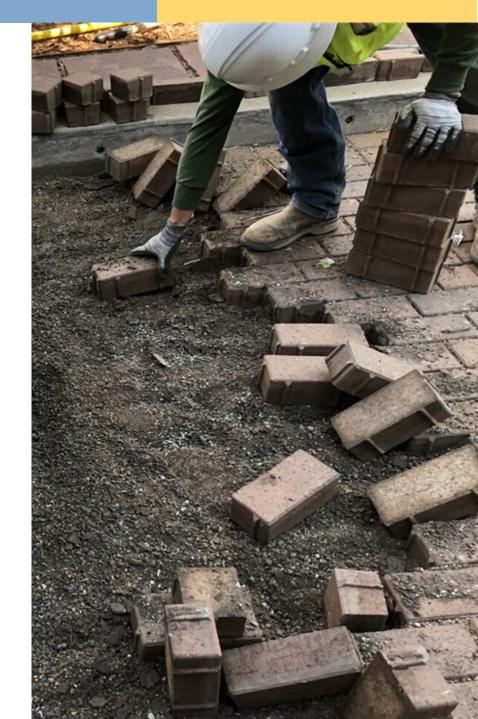
Are you going to increase or lower interest rates? The FED:



Hardship

Eligibility for grant, forgivable loan, reduced interest rates, reduced match

- CWSRF Preconstruction Hardship SW and WW
 - <25,000 population
 - MHI of service area <80% of state MHI
 - Eligibility in appendix M of guidelines
- CWSRF Construction Hardship WW only
 - <25,000 population of service area
 - Factors include:
 - Cost of the project
 - Existing costs
 - Median household Income
 - Impact to rate payers
 - Sewer rate >2% MHI
- SFAP Hardship SW only
 - Same criteria as Preconstruction Hardship
 - May be eligible for reduced match



Green Project Reserve (GPR)

- Must be willing to accept a CWSRF loan
- Must meet EPA's criteria for:
 - Green Infrastructure
 - Energy Efficiency
 - Water Efficiency
 - Environmentally Innovative
- May receive 25% forgivable loan along with standard loan



Federal Funding Requirements

OSG, Emerging Contaminants, and CWSRF Equivalency

- Full federal requirements
 - Federal cross-cutters
 - BABA
 - Federal procurement
 - Single audit
- Equivalency = Ecology's 20% match to the annual Federal EPA Cap grant
- Non-Equivalency CWSRF Projects
 - Majority of CWSRF projects
 - Funds are 'state' and not 'federal'
 - Relieved of the above federal requirements
 - Still require SERP, Davis Bacon, American Iron and Steel, etc



Ineligible Projects

- Non-clean water projects (e.g., roads, bridges, drinking water systems)
- Water <u>quantity</u>
- Project solely for flood control
- Operation, maintenance, and repair costs
 - SFAP enhanced maintenance one time investment
- Exclusively industrial projects, except:
 - Publicly-owned industrial WW treatment facilities that reduce the burden on a municipal WW treatment facility (CWSRF only)
 - Publicly-owned industrial stormwater facility (SFAP only)

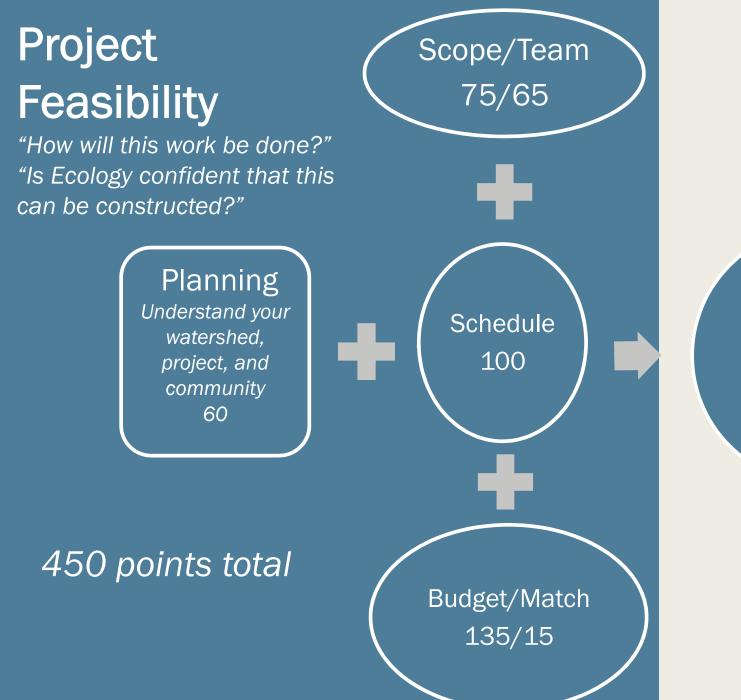
Feasibility

Value

Can this project be implemented effectively as proposed?

Potential Benefit

How critical is this project for water quality?



Water Quality and Public Health Improvements



"Assuming we **can** build it, **should** we?"

"What is the final result?"

Funding Source Estimates for SFY26

Fund Source	Fund Type	Source	SFY26 Estimate
Clean Water State Revolving Fund (CWSRF) (includes BIL funds)	Standard Loans	Federal and State	\$73.3M
CWSRF (includes BIL funds)	Forgivable Loans	Federal and State	\$26.7M
CWSRF Emerging Contaminants (BIL funds)	Forgivable Loan	Federal	\$3.7M
Stormwater Financial Assistance Program (SFAP)	Grant	State	\$40M
Clean Water Centennial Program (Centennial)	Grant	State	\$40M
Clean Water Act Section 319 (319)	Grant	Federal	\$1.7M
Sewer Overflow & Stormwater Reuse Grants (OSG)	Grant	Federal	\$1.7M
Stormwater Community-Based Public-Private Partnership (CBP3)	Grant	State	\$3M
Municipal Stormwater Grants of Regional or Statewide Significance (GROSS)	Grant	State	\$1M
Total Available			\$191.1M

Important Dates

APPLICATIONS Due OCTOBER 15

March - July

August – October

Workshops: 8/13 - 8/15/24 Submittal: 8/13 - 10/15/24

October - December

Evaluation, Rating and Ranking: 10/15-12/23/24

January - February

Draft List Published 1/31/25 Public Comment: 2/1-3/3/25

June-July Final List Published: 7/1/25

July - January Must be signed by 1/31/26 Costs may be eligible as of 7/1/25

Next 1-5 years Work starts no later than April 2026 Work continues through *June 2028 (activities) or June 2030 (facilities)



Funding Guidelines

- 300 pages!?!? Do I have to read all that!?
 - No. Start with the "How to Use This Document" on page 1.
 - Focus on the info that pertains to your project type.
 - Chapter 4 will help you prepare your application.





State Fiscal Year 2026 Funding Guidelines Water Quality Combined Funding Program

Centennial Clean Water Program

Clean Water Act Section 319 Program

Clean Water State Revolving Fund

Stormwater Financial Assistance Program

Sewer Overflow and Stormwater Reuse Municipal Grants Program

Stormwater Community-Based Public-Private Partnership Program

Municipal Stormwater Grants of Regional or Statewide Significance

Water Quality Program

Washington State Department of Ecology Olympia, Washington

August 2024, Publication 24-10-048

Remember, Ecology simplifies it for you!

Funding Packages

- Ecology will figure out which fund sources and how much can be offered to your project.
- Some projects may be
 offered a mix of different
 sources in a single
 "funding package"





Sign up for WQ Grant and Loan Email Notification

Subscribe/Unsubscribe

Thank you for choosing to receive emails from Ecology. Enter your email to manage your subscriptions. On the email preference page you can subscribe to lists or delete lists you no longer want to receive messages from.

Email Addres	ss *	*		
Submit	Cancel	el		

Your contact information is used to deliver requested updates or to access your subscriber preferences.



Questions?



Other Ecology Funding

Shelly McMurry



Puget Sound Nutrient Reduction (PSNR)Grant

- Financial assistance
 - Municipalities the discharge into the Puget Sound
 - Meet the requirements of the Puget Sound Nutrient General Permit (PSNGP).
- \$9 million in eligible funds
 - 43 municipalities operating 58 wastewater treatment plants.
 - \$1 million was set aside for technical assistance and support to small and moderate treatment plants.
 - Effective 7/1/2021 through 12/31/2025.
- Wastewater projects we have seen so far are:
 - Sampling for nutrient testing, monitoring, and analysis
 - Facility upgrades and modifications
 - Equipment purchases such as SCADA systems, sensors, tanks and mixers, in-house lab equipment, probes, etc
 - Assistance with PSNGP optimization, planning, reporting, and implementation, WWTP optimization strategies, and nutrient reduction evaluations.





More Ecology Funding Opportunities

• Find a grant or loan - Washington State Department of Ecology

Air & Climate

- Clean diesel grants
- Local partner core operations grants
- Local partner particulate matter grants
- Prevent nonattainment grants
- <u>Tribal carbon offset assistance program grants</u>
- Tribal consultation grants
- <u>Volkswagen enforcement action grants</u>
- <u>Wood smoke reduction grants</u>
- <u>Wood stove education and enforcement grants</u>

Spills & Cleanup

- <u>Affordable housing cleanup grants</u>
- <u>Affordable housing planning grants</u>
- Area-wide groundwater investigation grants
- Equipment cache grants for spill response
- Independent remedial action grants
- Integrated planning grants
- Oil spill restoration funding
- Oversight remedial action grants and loans
- <u>Safe drinking water action grants</u>

Waste & Toxics

- <u>Community litter cleanup program grants</u>
- Local solid waste financial assistance program grants
- Public participation grants
- <u>Ramp litter cleanup program grants</u>
- · Waste reduction and recycling education grants

Water & Shorelines

- <u>Aquatic invasive plants management grants program</u>
- <u>Coastal Protection Fund Terry Husseman account (THA) grants</u>
- <u>Columbia River Basin water management grant</u>
- Drought response grants
- Flood control assistance account program (FCAAP)
- Floodplains by Design grant program
- <u>Freshwater algae control grant program</u>
- <u>Puget Sound NEP stormwater strategic initiative grants</u>
- Puget Sound nutrient reduction grants program
- Shoreline Master Program competitive grant pilot program
- Shoreline Master Program periodic review grants
- <u>Shoreline Planning Competitive grants</u>
- <u>Stormwater capacity grants</u>
- <u>Stormwater grants of regional or statewide significance</u>
- <u>Streamflow restoration competitive grants</u>
- Water banking pilot grants
- Water quality combined funding
- Watershed plan implementation and flow achievement grants
- Wetlands conservation grants
- Yakima Basin Integrated Planning Grants

Who Can apply?

- Public bodies
 - Local governments
 - Tribes (federally recognized)
 - Special Purpose Districts (ports, conservation, etc)
- Non-profits (319 Funding Only)







AIS Requirement

"No SRF funds shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless <u>all of the iron and steel products</u> used in the project are produced in the United States."





AIS Products

What products are covered under AIS?

- Is the product a listed product?
- Is the product primarily of iron or steel?
- Is the product permanently incorporated?

Any NO --- Not an "Iron and steel product"



Buy America, Build America (BABA)

- Applies to all federal funding: OSG, EC, 319, CWSRF Equivalency projects, and Centennial-match
 - It applies to specific materials, it gets complicated, EPA has guidance.
- In addition to American Iron and Steel Requirements
- The following products used in the project must be produced in the United States:
 - Iron and steel
 - Manufactured products
 - Construction materials
- No more waivers

Ecology is here to help and address applicability case-by-case.





Davis-Bacon Documentation

- Confirm the correct Davis-Bacon Wage Determination is in the bid package.
- Confirm the required Davis-Bacon language is included in the advertisement for bids.
- Check payrolls weekly & confirm with pay applications
- Do not payout pay application requests if Davis Bacon documentation is not in order.
- Confirm consultants have performed interviews and are capturing subcontractor's who may not be onsite frequently.



Start early, always check, always confirm, throughout the entire project.



Small Community Project Priority List (SCPPL)

- Simplify the funding process
- Reduce barriers to accessing and using Ecology WQ funds
- Keep projects moving instead of long waits between steps
- Meet anticipated wastewater infrastructure needs, based on planning and design work currently funded



Who is eligible for SCPPL?

- Population served by the project is less than 25,000
- Likely to qualify for hardship subsidy
- Have an open funding agreement & project was previously rated/ranked
- Traditional design-bid-build projects





Additional SCPPL Guidance

- Fund one step at a time
- Not all projects are suitable for SCPPL
- Work with Ecology early and often



What SCPPL doesn't change

- <u>Step process</u>- approvals needed from prior step to move forward (i.e. planning to design)
- <u>Funding sources</u>- use CWSRF loan/FP, Centennial Grants, other sources (BIL, OSG) as available
- Who/how we manage projects (e.g. regional project managers, financial managers)
- Environmental & cultural resources review requirements