



Water Quality Combined Funding Program (WQC)

Infrastructure Assistance Coordinating Council (IACC)

October 2023

Water Quality Combined Overview and Funding Availability

Shelly McMurry



One Application for Multiple Fund Sources



Who Can apply?

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



Project Types

- Wastewater facilities
- Stormwater facilities
- Stormwater activities
- Nonpoint source activities
- Onsite sewage systems

Planning

Design

Construction

Implementation



Wastewater Hardship Determination/Affordability Criteria

- Eligibility for Grant, Forgivable Loan, Reduced Interest rates
- Construction
 - <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
- Preconstruction
 - <25,000 population
 - MHI of service area <80% of state MHI
 - Eligibility in appendix M of guidelines

Green Project Reserve (GPR)

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



Ecology simplifies it for you!



One Application (apply via EAGL)



Ecology decides what projects are eligible for certain funding sources



Funding Packages could include multiple funding sources



Bipartisan Infrastructure Law (BIL) (2022-2026)

- Total funding for Clean Water in Washington (\$316M)
- Clean Water State Revolving Fund (CWSRF)
 - \$192M for supplemental capitalization grant
 - 49% Forgivable loan
 - \$97.4M for base capitalization grant
 - Authorized at \$246M
 - Legislature is taking funding off the top for “Community Grants” (direct appropriations for communities selected by representatives)
 - 10-40% Forgivable loan
 - \$18M for Emerging Contaminants
 - 100% Forgivable loan
- \$7M for EPA’s Sewer Overflow and Stormwater Reuse Municipal Grant (OSG) Program
 - 100% Grant

Funding Source Estimates for SFY25

Fund Source	Fund Type	Source	SFY25 Estimate
Clean Water State Revolving Fund (CWSRF) (includes BIL funds)	Standard Loans	Federal and State	\$170.9M
Clean Water State Revolving Fund (CWSRF) (includes BIL funds)	Forgivable Loans	Federal and State	\$24.6M
Clean Water State Revolving Fund (CWSRF) Emerging Contaminants	Forgivable Loan	Federal	\$4.5M
Stormwater Financial Assistance Program (SFAP)	Grant	State	\$17.3M
Clean Water Centennial Program (Centennial)	Grant	State	\$19.5M
Clean Water Act Section 319 (319)	Grant	Federal	\$1.7M
Sewer Overflow & Stormwater Reuse Grants (OSG)	Grant	Federal	\$952,000
Total Available			\$239.4M

Below Market Rate Interest (SFY25)

- Rate set at 60% municipal bond rate
- Always lowest rates



Loan Term	Interest Rate for Most Projects	Hardship eligible projects (sliding scale)	Interest Rate for OSS/Nonpoint Projects
5 Years	0.6%	0.5-0.0%	0.2%
20 Years	1.2%	1.1-0.0%	0.4%
30 Years	1.6%	1.5-0.0%	0.8%

Water Quality 2025 Funding Guidelines



State Fiscal Year 2025 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



Water Quality Program

Washington State Department of Ecology
Olympia, Washington

August 2023, Publication 23-10-020

State Environmental Review Process

Environmental Information
Document Guidance



State Environmental Review Process Environmental Information Document

Guidance for Clean Water State Revolving Fund
Agreements

Prepared by
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For the
Financial Management Section, Water Quality Program

Washington State Department of Ecology
Olympia, Washington
June 2023, Publication (Pub no. 16-10-003rev)

ECY (Pub no. 16-10-003revJune2023)



Important Dates

- October 12, 2023: Applications were due
- January 20, 2024: Draft offer list published
 - February 20, 2024: Funding program public comment period closes
- July 1, 2024: Funding “turns green”
 - Begin negotiation and agreement development.
- January 30, 2025: All agreements signed (goal)
- April 30, 2025: All projects have started work
- October 2024: Applications due for FY26 funding cycle

Sign up for Water Quality Grant and Loan e-mail notification



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ECOLOGY
State of Washington

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Federal Requirement and Available Technical Assistance

Peter Hernandez



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 all of the iron and steel products 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”

YES TO ALL THREE → This is an “Iron and steel product”

The product must be produced in the US or be covered by a waiver.

Buy America, Build America (BABA)

- Iron and Steel Requirements under BABA are equivalent to AIS
- Additional Domestic Production Requirements apply to:
 - Manufactured Products
 - Construction Materials
- Applies to all federal infrastructure funding
- This is an “equivalency” requirement
- Waivers approved:
 - Adjustment period waver (Design started before May 14,2022)
 - De Minimis public interest (up to 5% project cost)
 - Small project (under \$250K)



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 (SCCPL)

Kim Prisock



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





SCPPL Logistics

- Use existing funding agreements to amend in additional funds
- Communities only apply once during project life, no need to reapply as steps (e.g. planning, design) are completed
- Ecology commits to fully funding projects, helps provides assurance and security for communities that funding will be available

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



- Step process- approvals needed from prior step to move forward (i.e. planning to design)
- Funding sources- 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

Other Ecology Funding

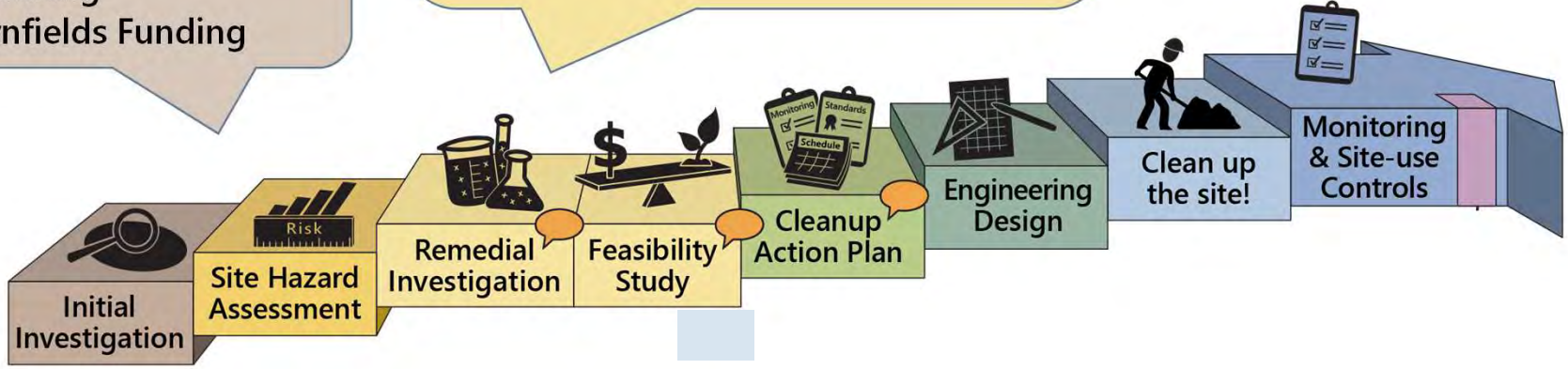
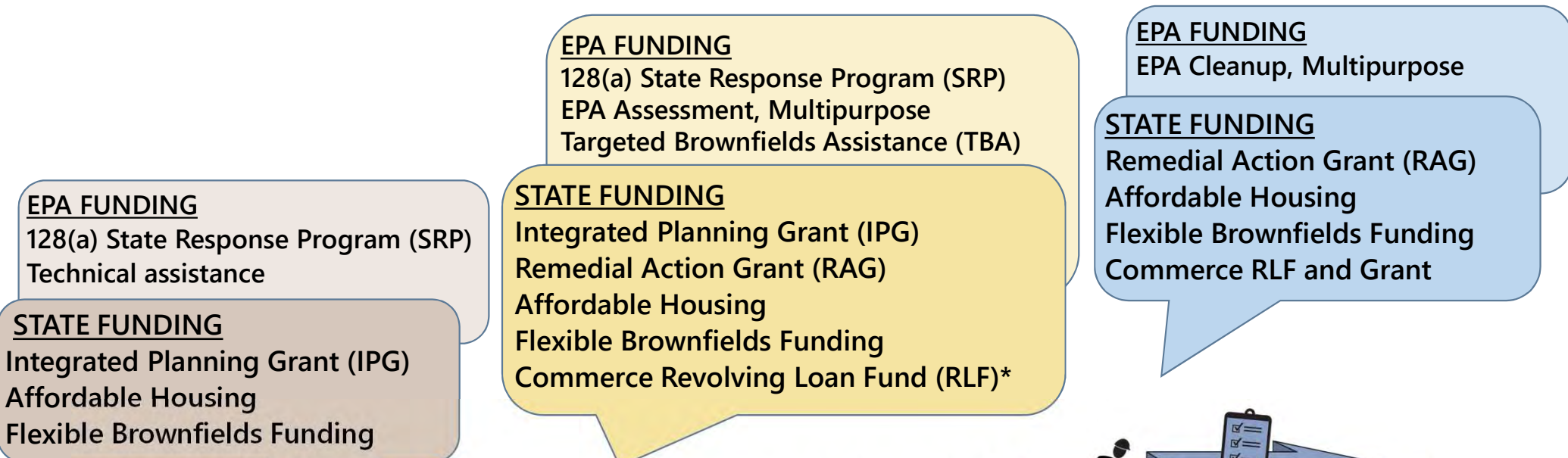
Shelly McMurry



Brownfields Program



Brownfields funding helps people meet MTCA's cleanup requirements



Plan	Assess			Clean up
Planning	Initial Investigation/ Phase I & II ESA	RI/FS	CAP	EDR/Cleanup

Ali Furmall

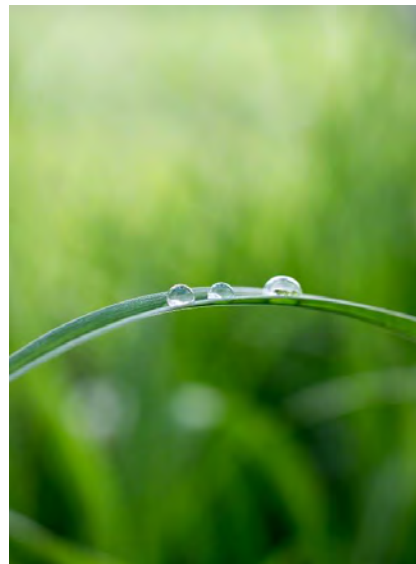
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Puget Sound Nutrient Reduction (PSNR) Grant

- Financially 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.



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

- Provide outreach and technical assistance services in local governments
- Award grants for development and implementation

Sarah Ponte,
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Planner

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Draft Stormwater Community-Based Public-Private Partnership (CBP3) Funding Program Timeline

Phase 1

Phase 2

Sept 2023

Ecology hired a consultant firm, Environmental Incentives

April 2024

CBP3 Grant Program Guidelines

Aug 2024 – Dec 2024

Solicitation, Identification, and Ranking of Projects

July 2025

Up to \$3 million is available for CBP3 projects grants to cities and counties

July 2025 – July 2029

Pilot Projects Implementation

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](#)
- [Tribal carbon offset assistance program grants](#)
- [Tribal consultation grants](#)
- [Volkswagen enforcement action grants](#)
- [Wood smoke reduction grants](#)
- [Wood stove education and enforcement grants](#)

Spills & Cleanup

- [Affordable housing cleanup grants](#)
- [Affordable housing planning grants](#)
- [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](#)
- [Safe drinking water action grants](#)

Waste & Toxics

- [Community litter cleanup program grants](#)
- [Local solid waste financial assistance program grants](#)
- [Public participation grants](#)
- [Ramp litter cleanup program grants](#)
- [Waste reduction and recycling education grants](#)

Water & Shorelines

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

Questions?

