Funding Projects with Available State Programs

Becky Sabie – Program Coordinator

www.mn.gov/deed/pfa
Public Facilities Authority (PFA)

- A state agency governed by a Board of Commissioners from 6 state departments
- An infrastructure financing bank
- Works in *partnership* with the MPCA and MDH to fund publicly-owned wastewater, storm water & drinking water projects
PFA Water Programs

• Clean Water Revolving Fund (CWRF)  
  (State Revolving Fund)
• Drinking Water Revolving Fund (DWRF)  
  (State Revolving Fund)
• Wastewater Infrastructure Fund (WIF)
• Clean Water Legacy
  • Point Source Implementation Grant (PSIG)
  • Small Community WW Treatment program

All programs follow MPCA and MDH
Project Priority List (PPL)
How to Access PFA Programs

• Seek Placement on the Project Priority List (PPL)
  • 2018 PPL Notice/Instructions available
  • The **PPL** identifies projects and their assigned priorities
  • MPCA and MDH prepare the PPLs
  • Other state and federal agencies use the PPL in their funding decisions

*All Programs follow the Project Priority List*
Clean & Drinking Water Revolving Loans

If seeking loans from the CWRF/DWRF must also request placement on the Intended Use Plan (IUP)

• Annual list of projects seeking funds for the next state FY
• A sub-set of the Project Priority Lists
• An annual $$ plan - identifies sources/uses of the Funds
• Includes a “fundable range”

(2017 IUPs are unique...)

# 2018 Schedule PPL/IUP

## 2018 Project Priority List/Intended Use Plan Schedule

<table>
<thead>
<tr>
<th>Item</th>
<th>Submitted to</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wastewater Facility Plans or Stormwater Project Plans</td>
<td>MPCA</td>
<td>March 3, 2017 or before</td>
</tr>
<tr>
<td>Request for Placement on CW PPL</td>
<td>MPCA</td>
<td>March 3, 2017 or before</td>
</tr>
<tr>
<td>Request for Placement on DW PPL</td>
<td>MDH</td>
<td>May 5, 2017 or before</td>
</tr>
<tr>
<td>Intended Use Plan requests</td>
<td>PFA</td>
<td>June 2, 2017 or before</td>
</tr>
<tr>
<td>Wastewater Facility Plans or Stormwater Project Plans preliminary approval for 2018 IUP projects</td>
<td>MPCA</td>
<td>June 30, 2017 or before</td>
</tr>
</tbody>
</table>
State Revolving Fund Basics

• Low interest rate loans
  • Loan terms up to 20 yrs; up to 30 for high cost projects (useful life)

• For publicly-owned WW, DW & Stormwater
  • Eligible borrowers = those authorized to issue General Obligation bonds

• Fundable range projects on IUP
  • Loan demand exceeds capacity; PPL ranking matters
  • 6 months from IUP approval to submit loan application to PFA & plans and specifications to MPCA/MDH
  • June 30 deadline for obtaining MPCA/MDH certification

• Loan review focus on total project funding/dedicated source of revenue to repay loan

• Federal & state laws apply (bidding, construction, audits)
Supplemental Assistance - Affordability

Wastewater Infrastructure Funding (WIF)

• All projects must be ranked on PPL

• Two ways WIF works
  • Grants to match USDA Rural Development based on RD application process & funding criteria
    • If eligible for RD, must first seek RD funds
  • Grants combined with CWRF loan when eligible system costs exceed 1.4% MHI
Federal Principal Forgiveness (w/SRF loan)

• Federal appropriations may require a portion of federal funds for “additional subsidization”

• Use of PF $ identified in the IUP

• Drinking Water & Clean Water
  • Affordability
  • Other (CW only)

• Prior years set-asides for green–future unknown
Point Source Implementation Grants

• Pollutant based grants – publicly owned facilities
  • Wasteload reduction requirements
  • Reduce phosphorus, other water quality-based effluent limits
  • Meet a total nitrogen for land-based treatment system

• Provides grants for 50% of eligible costs up to a max $3M

Stormwater for MS4 publicly-owned projects
Point Source Implementation Grants (cont.)

• Annual application cycle
  • Notice accepting applications in June/July
  • Applications due at end of July
  • Deadlines for MPCA to certify (approve) project; submit as-bid costs
    • PSIG must bid and be certified by PCA by following June 30
    • Projects not certified may apply to the next funding cycle

• Application fee, state bidding requirements, prevailing wages apply
Small Community WW Treatment Program

• For unsewered communities interested in building, owning and operating publicly-owned SSTS systems

• Technical Assistance grants up to $60,000
  • For site evaluation, preparation of feasibility report, other technical assistance services

• Construction Loan/Grant (grant based on affordability)

• No application deadline; contact PFA loan officer for additional information
Guidance

• Communication is key – loan officers contacts
• PFA Broadcast e-mails
• 2018 Status?? Project schedule – set by the City
• Asset management helps at local & state level
• MPCA WINS survey
• Combo projects – split sheets to identify different project components
Additional Information

• Visit our website at www.mn.gov/deed/pfa
  • PPLs/IUPs
  • Notices/deadlines
  • Application forms & materials
  • Required Contract Packet for SRF projects

Becky Sabie 651-259-7470
rebecca.sabie@state.mn.us
America, Apple Pie & Infrastructure Financing
Project Priority List (PPL)

- Clean Water PPL established 1989
- Minnesota list of needs – WW & SW
  - Low interest loans
  - Affordability grants
  - Pollutant based grants
  - Leverage other funders

Stable, consistent, predictable & enjoyable

Winners and losers
Your Project:

• Your facility
• Your schedule
• Your project scope
• Your budget
• Your permit

• Your deadlines...
Financial Assistance Basics

- Who wants a loan?
- Who wants a grant?
- Who want both?

Who wants a permit?
Annual cycle

- To get on PPL: application and scoring worksheet. Supporting documentation (maps, etc.)

- To get on IUP, submit facilities or project plan by March 3, 2017 for approval by June 30, 2017 and IUP request to PFA by June 2, 2017

Application available at:  [www.pca.state.mn.us/ppl](http://www.pca.state.mn.us/ppl)

3 project types – Existing permit, Unsewered areas and Stormwater
Project Priority List (PPL)

Wastewater Application

1. Applicant name: __________________________________________
   Project area: __________________________________________
   Town/city: __________________________________________
   Population: __________________________________________
   County: __________________________________________

2. Contact person: __________________________________________
   Address: __________________________________________
   Phone: __________________________________________
   Fax: __________________________________________
   E-mail: __________________________________________

3. Project consultants/Firm name (if applicable): _________________
   Contact name: __________________________________________
   Address: __________________________________________
   Phone: __________________________________________
   Fax: __________________________________________
   E-mail: __________________________________________

4. Project area description: __________________________
   □ Sewered: __________________________
   □ Unsewered (submit map of project area) __________________________
   a. Number of existing households: __________________________
   b. Number of non-residential users: __________________________
   c. Need or problem project addresses: __________________________
      (Check all that apply)
      □ Failing on site systems # of failing systems: __________________________
      □ Connection to an existing system: __________________________
      □ Rehab of an existing facility: __________________________
      □ Rehab collection system: __________________________
      □ Expansion of existing treatment plant: __________________________
      □ New treatment and/or collection system: __________________________
      □ Advanced treatment: __________________________

5. Please indicate if this project may be a Green Project Reserve (GPR) which are wastewater projects that are either
categorical or non-categorical and have components or the entire project is applying to be determined GPR eligible.

The U.S. Environmental Protection Agency (EPA) provided a guidance document listing examples of projects that will qualify
for Green Project Reserve dollars. Below is a list of those examples. If the proposed project matches one or more of the
examples, check the box next to the example that describes the project. For more information, see CW Green Guidance at

Categorical eligible project types

   □ 1. Water Efficiency
      a. Installation of water meters (applies only to drinking water distribution systems – contact the Minnesota
         Department of Health)
      b. Retrofit or replacement of water using fixtures, fittings, equipment or appliances
      c. Efficient landscape or agricultural irrigation equipment
      d. Systems to recycle grey water
      e. Reclamation, recycling, and reuse of existing rainwater, condensed, degraded water, stormwater, and/or
         wastewater streams.
      f. Collection system leak detection equipment
      g. Development and initial distribution of public education materials

www.pca.state.mn.us  651-296-6303  800-657-3504  TTY 651-296-5552  800-657-1064  Available in alternative formats
wqppwptp-32  1/22/10  Page 1 of 2
- Wastewater reuse has been added to scoring system
- Green infrastructure stormwater project score competitively
PPL Scoring

- Over 85% capacity
- 20 years or older...
- Significant Inflow and Infiltration (I/I)
- Compliance issues
- Receiving waters
- Stringent standard for discharge
- Green infrastructure stormwater

It is about current environmental conditions & public health threat
Ranking for CWRF by Project Type

• WWTF major rehab, advanced treatment (40-70 pts)
• Excessive Infiltration/Inflow correction (45-80 points)
• Rehab collection and treatment (50-100 points)
• Straight pipe community (70-90 points)
• Unsewered lake area with few failures (8-35 points)
• Unsewered lake area with many failures (45-80 pts)
• New stormwater (10-65 points)
• Placeholder score – 1 point projects
## MN blend of funding programs

<table>
<thead>
<tr>
<th>Project</th>
<th>PPL score</th>
<th>CWRF</th>
<th>Green Project</th>
<th>WIF</th>
<th>PSIG</th>
<th>Small Comm.</th>
<th>USDA RD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loserville</td>
<td>98</td>
<td>x</td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gilligan’s Island</td>
<td>92</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Turdtown</td>
<td>90</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Whiskey Junction</td>
<td>90</td>
<td></td>
<td></td>
<td>x</td>
<td></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Hill City</td>
<td>89</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Swampton</td>
<td>86</td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>...</td>
<td>85-39</td>
<td></td>
<td></td>
<td>x</td>
<td>x</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineer town</td>
<td>38</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>...</td>
<td>37</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ambivalence</td>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hopeless</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3 Step Process

1. Get on PPL
2. Facility plan
3. Plans and Specs
## Stormwater Treatment Funding Matrix

<table>
<thead>
<tr>
<th></th>
<th>SRF/GPR</th>
<th>PSIG</th>
<th>CWP</th>
<th>AG BMP</th>
<th>319</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MS4</strong></td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
<td>Y (if rural)</td>
<td>N</td>
</tr>
<tr>
<td>(regulated by NPDES permit)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-MS4</strong></td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>Y (if rural)</td>
<td>Y</td>
</tr>
<tr>
<td><strong>Rural</strong></td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
<td>Y</td>
</tr>
</tbody>
</table>
Stormwater Funding Matrix

- **State Revolving Fund (SRF)** – Low interest loans for publicly owned infrastructure project, up to 20 yr term
  - **Green Project Reserve (GPR)** – 25% principal forgiveness up to $1 million from SRF loan
- **Point Source Implementation Grants (PSIG)** – 50% grant up to $3 million for publicly owned infrastructure project
- **Clean Water Partnership Loan** – 2%, 10 yr loan semi-annual payments, 3 yr project implementation
- **Ag BMP Loan** – 3%, 10 yr loans, $200,000 max
- **319 Grant** – 40% match on unlimited grant request for non-permitted stormwater projects required by TMDL/WRAPS
Kohlman Lake TMDL
Maplewood Mall

- $10M project in all 4 phases
- 29 pounds of Phosphorus removed per year
- Treats runoff capture from 3% to 67% in typical yr
Features & Benefits

- **55 RAINWATER GARDENS**
  - They filter 9 million gallons of runoff*

- **6,733 SQ FT. OF PERMEABLE PAVERS**
  - They infiltrate 260,000 gallons of runoff*

- **1 CISTERN**
  - It holds 5,700 gallons of roof runoff

- **375 TREES**
  - 11.2 million gallons of runoff brought into the tree trenches* 

* in a typical year

Location of features within the 35-acre footprint
City of Minneapolis

37th Avenue Green Way Project

• Crystal Lake TMDL
• Flooding issues too
• 20 lbs of Phosphorus
• 6,300 TSS
• $1.5M
Maximize discounts

• Blend of different program funding
• Leverage other agencies funds
• Larger the project the greater the discounts
• Long term amortization periods – 20 to 30 yrs
• Favorable bidding climates
• Historic increase in all cost categories
Drama Free

Phases:
- Do pre-planning
- Get on PPL
- Do Fac Plan
- Get On IUP
- Get Permit and Plan & Specs
- Ask for help and advice
- Get $$$ MONEY $$$

Simple...

Stable, consistent, predictable & enjoyable
Bonus: Hints, Tricks & Tips

• Annual Cycle
• Annual Lists
• Annual Awards

• Call and ask for help!
Bill Dunn
Clean Water Revolving Fund Coordinator
Minnesota Pollution Control Agency
Work 651/757-2324
Cell 651/402-1639
bill.dunn@state.mn.us
BWSR Clean Water Fund Grants

Funding Projects with State Programs

CEAM Annual Conference
January 25, 2017

Brad Wozney
Board of Water and Soil Resources
GOOD NEWS!

URBAN STORMWATER

Total Funds Available

Urban Stormwater Projects Awarded
Achieving Clean Water Fund Goals & Priorities
CONSERVATION PROJECT

Improved lakes... improved community!

Learn more www.chisagoswcd.org
Implementation of on-the-ground non-point restoration and protection activities

- Prioritizing local resources
- Targeting for effectiveness
- Measuring the impact on water quality
“Without data you’re just another person with an opinion.”

- W. Edwards Deming, Data Scientist
NonPoint Priority Funding Plan

Nonpoint Priority Funding Plan for Clean Water Implementation Funding
Version 1.0 (July 2014 – June 2016)
As required by the 2013 Clean Water Accountability Act

June 25, 2014
BWSR Clean Water Fund
Primary Programs

- Projects and Practices
- Accelerated Implementation Grants
- Community Partners Grants
Grant Eligible Activities

- Construction/implementation
- Grant administration & reporting
- Project development
- Technical and engineering assistance
Projects and Practices Grants

Upper Villa Park Volume Reduction & Stormwater Reuse

FY 2014 Grant Award: $127,000

Projected Pollution Reduction: Phosphorus (45 lbs/yr)

Proposals for projects meeting a waste load allocation and located on publicly owned land and exceeding $750,000 should consult with the Minnesota Public Facilities Authority before applying for BWSR Clean Water Funds.
Projects and Practices Grants

Upper Prior Lake – Targeted Retrofits and Enhancements

Grant amount
$189,511

Project Goal
11-13 stormwater pond enhancements and 15 bioretention retrofits
These photos show the extreme sediment loading from the NE St. Cloud project area after a moderate rain event.

Pool created by 10th Street Dam.
The pool used for St. Cloud’s only source of Drinking Water.
Accelerated Implementation

Integrating MIDS into Local Ordinance and Zoning Code
FY 2014 Grant Award: $127,000

Project Goal:
Up to 13 communities in the St. Croix River Basin will adopt ordinance for stormwater quality and volume standards.
Primary Programs: Community Partners

Otter Tail Community Partners
FY 2014 Grant Award: $150,000

**Project Goal:**
Provide community groups ability to go beyond planning and take action to protect water resources important to them.

**Results:**
6 community partner sub-grants to lake associations with recently completed lake assessment reports.
Urban Stormwater Projects Awarded
Total Funds Available

We Are Here
Scoring Utilizes an Interagency Approach

- BWSR
- DNR
- MDH
- MPCA
- MDA
COMPETITIVE APPLICATIONS

• Grantsmanship – clear writing, outcomes, and accomplishments
• Your plan matters!
• Consistent units of measure for pollutants/goals to be able to clearly state % of goal reached
• Cost effectiveness – alternatives
• Focus on waters of regional significance
• Multiple benefits
• Multi-disciplinary team approach to certain projects; involve the agencies
• Don’t say what you hope to do, tell us what you will do!
ALL POINTS MATTER
CONSERVATION PROJECT

Improved lakes...improved community!

Learn more www.chisagoswcd.org

QUESTIONS?

Brad Wozney
Clean Water Specialist
Brad.Wozney@state.mn.us
Direct (320) 223-7071
<table>
<thead>
<tr>
<th>Ranking Criteria</th>
<th>Maximum Points Possible</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Description:</strong> The project description succinctly describes what results the applicant is trying to achieve and how they intend to achieve those results.</td>
<td>5</td>
</tr>
<tr>
<td><strong>Prioritization:</strong> The proposal is based on priority protection or restoration actions listed in or derived from an approved local water management plan.</td>
<td>15</td>
</tr>
<tr>
<td><strong>Targeting:</strong> The proposed project addresses identified critical pollution sources or risks impacting the water resource identified in the application.</td>
<td>25</td>
</tr>
<tr>
<td><strong>Measurable Outcomes:</strong> The proposed project has a quantifiable reduction in pollution and directly addresses the water quality concern identified in the application.</td>
<td>35</td>
</tr>
<tr>
<td><strong>Project Readiness:</strong> The application has a set of specific activities that can be implemented soon after grant award.</td>
<td>10</td>
</tr>
<tr>
<td><strong>Cost Effectiveness:</strong> The application identifies a cost effective solution to address the non-point pollution concern(s).</td>
<td>5</td>
</tr>
<tr>
<td><strong>Biennial Budget Request (BBR):</strong> A BBR was submitted by the applicant organization in 2014.</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total Points Available</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>