

# Drinking Water and Wastewater Grant Program Cleaner Water Program June 21, 2021



# What is the Program?

- Drinking Water and Wastewater Grant Program
- Part of the Better Kentucky Plan – over \$1 billion for Better Schools, Cleaner Water, Better Internet
- Funded by the American Rescue Plan Act of 2021 Coronavirus State Fiscal Recovery Fund
- Appropriated in the 2021 Regular Session of the General Assembly (SB 36) to the Kentucky Infrastructure Authority to administer the program



# What Types of ARPA Grants are Available?

## State Fiscal Recovery Fund

- Grant from US Treasury to Kentucky
- Administered by KIA
- Sub-recipients are utilities
- \$250 Million for water and sewer projects

## Local Fiscal Recovery Fund

- Grant from US Treasury directly to Counties



# How Much Money Do We Have?

- \$250M appropriated in the 2021 Regular Session of the General Assembly
  - \$150M Pool – allocated by county population
  - \$50M Pool – for unserved drinking water customers in rural areas / federal consent decree (Lexington, Louisville, Northern KY Sanitation District No. 1, Winchester)
  - \$49.9M Pool – to supplement a project grant where the cost is greater than the county's allocation / designated for cost escalations and changed conditions

# How Many Projects Do We Expect to Fund?

- Number of Potential Projects (>350)
  - 120 – One in each county
  - 269 - Number of unserved drinking water projects
  - 4 of Federal Consent Decree Utilities
- Number of Utilities (713)
  - 367 – Public drinking water utilities
  - 346 – Public wastewater utilities
- Number of Actual Project Submittals (162 as of 6-18-21)
  - Represents 47 Counties totaling more than \$360 million

# How Will the Utilities Apply?

- Use the Water Resource Information System (WRIS) Project Profile information as the application
- Coordinate with the Water Management Council at the Area Development District
- Water Service Coordinator will help utility complete the Project Profile
- Water Service Coordinator will select Cleaner Water Program Grant as the funding source under the budget tab (use the Notes Section to identify specific pool)



# When Can the Utilities Apply?

- Now, by submitting or updating a Project Profile
- Call for Projects opened June 1

Note: Utilities will have time to create new Project Profiles before final decisions (awards) are made

# What Type of Projects are Eligible?

- Eligible for SRF = Eligible for Cleaner Water Program
  - Planning, design, and construction of wastewater or storm water collection, conveyance, and treatment facilities
  - Planning, design, and construction of drinking water intake, treatment, or distribution systems
  - Storage tanks and clearwells
  - Security related activities
  - Emergency measures for the protection of public health
  - Any other structure or facility necessary for efficient and sanitary operations



# How Will the Projects Be Selected?

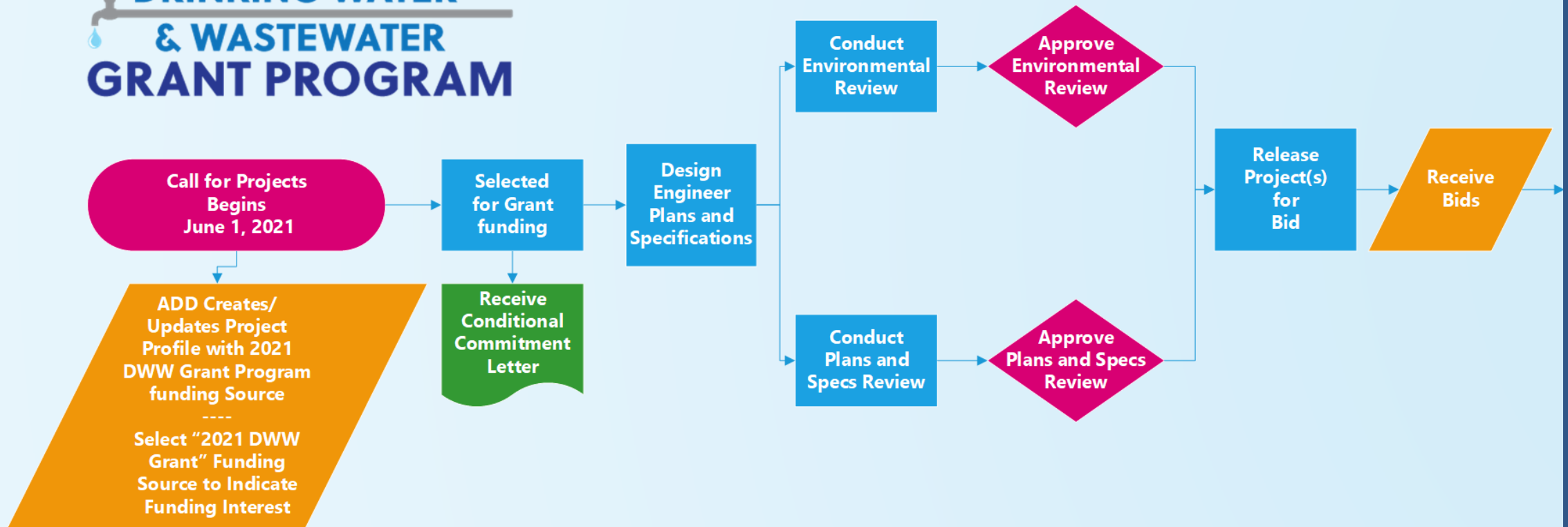
- \$150M Pool – selected through coordination between utilities, cities and counties
- \$50M Pool – will be evaluated based on number and type of projects that check the box
  - unserved drinking water customers in rural areas (30 projects / >\$60 million)
  - federal consent decree (16 projects / >\$120 million)
- \$49.9M Pool
  - \$25 M designated for cost escalations and changed conditions
  - \$24.9 M to supplement a project grant
- Ready to Proceed / Obligate by 12-31-24 / Spend by 12-31-26
- Use WRIS to evaluate social, economic and environmental criteria

# How Will the Projects Be Administered?

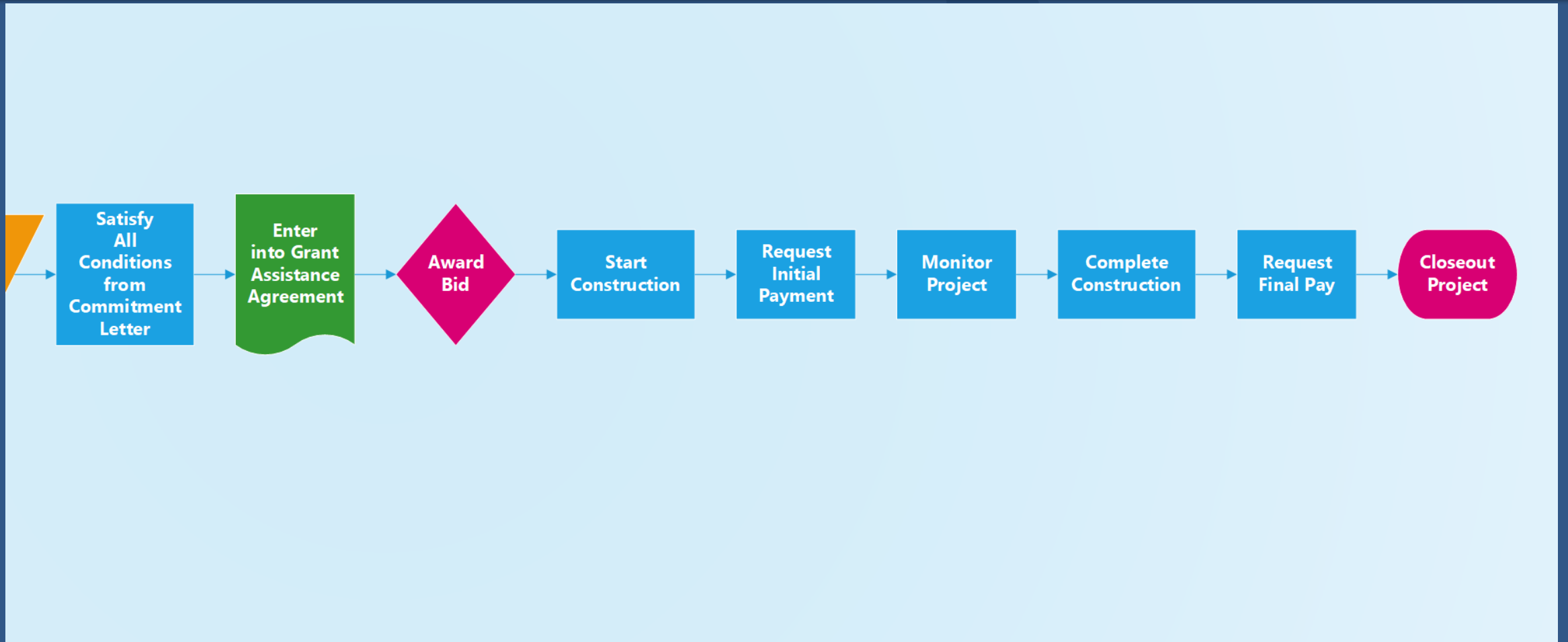
- Required
  - Engineering procurement will follow KRS 45A – Model Procurement Code
  - Davis-Bacon Wage Determinations
  - E-Clearinghouse submission
  - Scoping letters (USACE, USFWS, NRCS, SHPO)
  - Normal approvals from Division of Water and Public Service Commission
- Not Required
  - National Environmental Policy Act (NEPA or NEPA-like)
  - American Iron and Steel
- Project administration fees are eligible

# What is the Process?

## DRINKING WATER & WASTEWATER GRANT PROGRAM



# What is the Process?



# When Will the Grant Funding Be Available?

- Considerations
  - US Treasury Federal Program Guidance
  - Federal Funding – ½ has been received by Kentucky
  - Emergency Administrative Regulations filed 6-1-21
  - County Allocation Amounts are Known

# What is Left to Do?

- Coordinate with Area Development Districts
- Coordinate with Elected Officials
- Review final federal guidance
  - Interim Final Rule – released May 17
  - Compliance and Reporting Guidance – released June 17
- Finalize grant commitment letter and grant assistance agreement
- Get Projects Underway and Completed!

# Questions

- Secretary Jim Gray, Transportation Cabinet
- Commissioner Dennis Keene, Dept. for Local Government
- Dep. Exec. Director Sandy Williams, KY Infrastructure Authority

<https://governor.ky.gov/BetterKy>

<https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

<https://wris.ky.gov/portal/cwp>

