

Florida Department of Environmental Protection



Water Resource Funding in Florida

April 16, 2014



4/16/2014



Presentation Overview

- **Nonpoint Source Grants:**
 - Environmental Protection Agency (EPA) 319(h).
 - Total Maximum Daily Load (TMDL) Water Quality Restoration.
 - Application process for 319(h) or TMDL Grants.
- **Storm, Waste, and Drinking Water Funding:**
 - Clean Water State Revolving Fund (SRF) Loan Program.
 - Small Community Wastewater Facilities Grants Program.
 - Drinking Water State Revolving Fund Loan Program.
- **Other Funding Sources:**
 - Legislative appropriation.



Nonpoint Source Grants



EPA 319(h) Grant

- Clean Water Act (CWA) federally funded grant.
- Administered by Department with EPA oversight.
- Awarded on annual basis.
- Fiscal year (FY) 2014 national funding level of ~\$164.5 million for all 50 States and eligible Indian tribes.
- Florida typically receives ~4% of total 319(h) funds → between \$5-6 million.



319(h) FY 2015 Schedule

- **February to March 2014** – Project application proposals sent to stakeholders.
- **May 23, 2014** - Project application proposals **due** to Department for review and ranking.
- **September 30, 2014** – Selected projects will be sent to EPA for approval, status letters mailed to all applicants, and match funds can be expended starting October 1, 2014 for selected projects.
- **Fall 2015** – EPA approves projects and notification letters will be sent to grant recipients. Contract execution process begins.
- **September 30, 2019** – All contractual projects, monitoring, invoicing etc. should be completed by this date.



319(h) Eligible Project Types

- Urban stormwater retrofits.
- Septic tank pollution abatement.
- Silvicultural best management practices (BMPs).
- Agricultural BMP development, monitoring, and/or evaluation.
- Erosion / sediment control.
- Low impact development.
- Nonpoint source education and BMP training.



319(h) Eligible Applicants

- State agencies.
- Local governments.
- Colleges.
- Universities.
- Non-profit organizations.
- Public utilities.
- State water management districts.



319(h) Evaluation Criteria

Emphasis is placed upon:

- Project/BMP effectiveness monitoring.
- Implementation of EPA-approved watershed plans or basin management action plans (BMAPs).
- Handling of pollutant(s) of concern in verified impaired water bodies.
- Cost-effectiveness per pound of pollutants removed.
- Cooperative projects.
- Innovative BMPs and/or use of a treatment train approach.
- Project-related public education.



319(h) Funding Requirements

Eligible for 319(h) grant funds:

- Construction.
- Project-related monitoring.
- Project-related public education.

Not eligible for funds:

- Design.
- Engineering.
- Land acquisition.
- Activity required by federal permit.
- Urban stormwater activities that directly implement municipal separate storm sewer system (MS4) permit.



319(h) Funding Requirements

Match expenditure funds:

- Projects should include a minimum 40% non-federal match, and 319(h) funding may not exceed 60% of the total eligible project cost.
- **Eligible match:**
 - In-kind services (e.g., staff time, contract administration).
 - Design.
 - Engineering.
 - Monitoring.
 - Public education.
- **Ineligible for match:**
 - Alternative federal funding.
 - Land acquisition.



TMDL Water Quality Restoration Grant

- Annual state legislature funding to Department for implementation of BMPs that reduce pollutant loads to verified impaired waters from urban stormwater discharges.
- Set out by rule in Chapter 62-305, Florida Administrative Code (F.A.C.) and authorized by Section 403.890(2), Florida Statutes (F.S.).
- Department typically receives ~\$3 million annually for statewide distribution.



TMDL Water Quality Restoration Grant

Schedule:

- Application Deadlines are March 1st, July 1st and November 1st each year.
- Applications can be submitted at any time and for more than one project for the next review period.
- Projects not selected for funding will remain in the pool of projects that will be ranked for one year from the date of submittal.
- Match funds can be expended after notice of award.



TMDL Grant Eligible Project Types

Eligible Project Types:

- Urban stormwater retrofits.
- Urban research and demonstration BMPs.

Project Requirements:

- Must be at least at the 60% design phase.
- Permitted or the permit has been scheduled for approval at the next meeting of the governing board or Department.
- Storm event monitoring required to determine the actual load reduction.
- Construction must be completed within three years of legislative funding appropriation to ensure fund remains available.



TMDL Grant Eligible Applicants

- State agencies.
- Local governments.
- Colleges.
- Universities
- Non-profit organizations.
- Public utilities.
- State water management districts.



TMDL Grant Evaluation Criteria

Emphasis is placed upon:

- Project/BMP effectiveness monitoring.
- Implementing EPA-approved watershed plans, BMAPs, or TMDLs.
- Addressing pollutant(s) of concern in verified impaired water bodies.
- Cost-effectiveness based on the cost per pound of total nitrogen and/or total phosphorus removed per acre treated.
- Innovative BMPs and/or use of a treatment train approach.
- Project-related public education.
- Dedicated stormwater management funding source.
 - E.g., Local government sponsor has a stormwater utility fee.



TMDL Grant Funding Requirements

Eligible for funds:

- Construction.
- Project-related monitoring.
- Project-related public education.

Ineligible for funds:

- Design.
- Engineering.
- Salary.
- Land acquisition.



TMDL Grant Funding Requirements

Match expenditure funds:

- Match amount must be equal to or greater than grant amount.
- At least 25% of the match amount must be provided by local government.
 - Water management districts are not considered local government for match funding purposes.

Eligible Match:

- In-kind services (e.g., staff time, contract administration).
- Design.
- Engineering.
- Monitoring.
- Public education.
- Land acquired recently for stormwater/water quality restoration.



Applying for 319(h) or TMDL Grant

- Contact Department to be put on the grant notification list.
- Know the deadlines.
- Submit a correct application form.
 - Go to the nonpoint source/TMDL websites or email Department for the correct application.
 - Follow instructions provided.
 - Read evaluation criteria provided.



Contacts/Websites

Contacts:

- Kate Brackett: 850-245-8682, Kathryn.Brackett@dep.state.fl.us
- Connie Becker: 850-245-8505, Connie.Becker@dep.state.fl.us

Websites:

- FDEP 319 Grant Website:
<http://www.dep.state.fl.us/water/nonpoint/319h.htm>
- EPA Region 4 Website:
<http://www.epa.gov/region4/water/nps>
- FDEP TMDL Grant Website:
http://www.dep.state.fl.us/water/watersheds/tmdl_grant.htm



Clean Water State Revolving Fund

Florida's largest financial assistance program for water infrastructure, capitalized by federal grants through EPA.

- Provides **low-interest loans to local governments** for stormwater and wastewater facilities:
 - ~\$200 million annually, with a \$25 million segment cap.
- Revolves using state and federal appropriations, loan repayments, investment earnings, and bond proceeds.
- Interest rates on loans are below market rates and vary based on the economic wherewithal of the community (based on an affordability index, the market rate, and a population factor).
 - Maximum rate is the market rate.
 - For non-point source projects – 60% of the market rate.
 - Basic financing rate adjusted quarterly.
 - Rate fixed after agreement is signed.



Storm, Waste, and Drinking Water Funding



Clean Water SRF Loan Eligibility

Program Goals:

- Protect public health, water quality, and promote alternative water supply projects.
- Assist local communities in correcting non-compliance.
- Facilitate small community projects that might not otherwise be built.
- Assure perpetuity of the funds.

Eligible Project Types (Plan/Design/Build/Upgrade):

- Wastewater, reuse, stormwater, nonpoint source pollution control, and estuary facilities.
- Certain agricultural BMPs may qualify for funding.

Eligible Applicants:

- Local governments = loans to control wastewater, stormwater and non-point source pollution.
- Non-governmental parties = loans to control stormwater pollution related to agricultural operations.



Clean Water SRF Loan Terms

Term Length = Useful life of the project.

- 10 years for non-governmental sponsors.
 - 20 years for a local government.
 - 30 years for financial hardship communities (Affordability Index less than 100).
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- Repayment begins six months after project work is scheduled for completion.
 - Payback consists of equal semiannual repayments.
 - A dedicated revenue source to repay the loan is required.
 - Excess revenue, debt service reserve and other loan security features may vary depending on the source and predictability of the pledged revenue.



Clean Water SRF Loan Contact Information

Tim Banks

- Phone: 850-245-8360
- E-mail: Timothy.Banks@dep.state.fl.us
- Program website: www.dep.state.fl.us/water/wff/cwsrf.



Small Community Wastewater Facilities Grants Program

- Funded with legislative appropriations and $\frac{1}{2}$ of the interest from loan repayments.
- Designed to work hand-in-hand with the SRF program and to subsidize the sponsor's loan repayments.
- Provides grants to fund the construction of wastewater facilities:
 - Must be in Incorporated municipalities with 10,000 or fewer people, and
 - *Per capita* income levels below Florida's average *per capita* income.
- A local match is required.
- Linked to the Clean Water SRF program and is highly competitive.
- Generally, projects get a CWSRF loan and the grant provides a subsidy to the loan. If the sponsor chooses not to go through the loan process, the local share must come from the municipalities own funds.



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Small Community Wastewater Facilities Grant Contact Information

Tim Banks

- Phone: 850-245-8360
- E-mail: Timothy.Banks@dep.state.fl.us
- Program website: www.dep.state.fl.us/water/wff/cwsrf.



Drinking Water State Revolving Fund Loan Program

- Provides low-interest loans to local governments and certain private utilities to plan, design, and build or upgrade drinking water systems.
- ~\$70 million annually, with a \$20 million segment cap.
- Discounted assistance for small communities may be available.
- Interest rates on loans are typically 40% below market rates.

More information: www.dep.state.fl.us/water/wff/cwsrf or
Contact Paul Brandl at 850.245.8373 or paul.brandl@dep.state.fl.us.



Drinking Water State Revolving Fund Loan Program Contact Information

Paul Brandl

- Phone: 850-245-8373
- E-mail: Paul.Brandl@dep.state.fl.us
- Program website: www.dep.state.fl.us/water/wff/cwsrf



Other Funding Sources

- Florida Legislature may solicit applications directly for “Community Budget Issue Request” projects, including water projects, in anticipation of upcoming legislative sessions.
 - Opportunity to secure legislative sponsorship of project funding through the state budget.
 - In other years, the legislature will not solicit projects but may include them in the budget in any event.
 - Contact your local legislative delegation to determine whether there are opportunities available to fund your project
 - Information on contacting Senators and Representatives is available at www.leg.state.fl.us.
- Other state and federal level programs that offer the possibility of water infrastructure funding:
 - Listed in the Water Resource Funding in Florida brochure, located at this website: <http://www.dep.state.fl.us/water/waterprojectfunding/index.htm>.



Comments and Questions

