RHODE ISLAND DEPARTMENT OF ENVIRONMENTAL MANAGEMENT



OFFICE OF WATER RESOURCES 235 Promenade Street, Providence, Rhode Island 02908

Project Solicitation

to request inclusion on the

Project Priority List (PPL) for the Clean Water State Revolving Loan Fund (CWSRF) State Fiscal Year 2025 (SFY '25)

DUE DATE: FRIDAY, APRIL 5, 2024

The Rhode Island Department of Environmental Management (RIDEM) Office of Water Resources is pleased to open its annual solicitation for the submission of water pollution abatement and other eligible clean water projects for inclusion on the SFY'25 Project Priority List.

Requesting to be on the PPL lets us know that you are interested in obtaining CWSRF financing within the next 18 months for your water quality improvement and protection project. More principal forgiveness is available now under the Bipartisan Infrastructure Law (BIL) (aka Infrastructure Investment and Jobs Act, or IIJA) than has been available in the past when meeting certain eligibility requirements. This is an exciting and historic period of major investment in clean water infrastructure, and your participation is encouraged.

RIDEM is interested in increasing participation by entities planning projects that address stormwater pollution abatement, green infrastructure, non-point source pollution abatement, emerging contaminants, climate resiliency of water infrastructure, and particularly projects that benefit disadvantaged communities. RIDEM is also interested in wastewater infrastructure projects that systematically replace the oldest sections that are most vulnerable to failures.

Benefits for Disadvantaged Communities, Emerging Contaminant Projects, and the Green Project Reserve

Varying amounts of principal forgiveness subsidy are required to be distributed under BIL and will be directed (as available) towards eligible disadvantaged communities that meet the state's affordability criteria*, as well as eligible priority clean water projects that address emerging contaminants, and Green Project Reserve types of public projects such as green stormwater infrastructure, and POTW energy efficiency or climate change adaptation.

What is the Project Priority List?

The PPL is utilized in the decision-making process for financial assistance from the Rhode Island CWSRF, as jointly administered by the RIDEM and the Rhode Island Infrastructure Bank (RIIB). Eligible projects are scored and ranked according to certain specific priority ranking criteria. A project must be included on the PPL to seek financial assistance through the RI CWSRF for that fiscal year, including the additional funding being directed into the RI CWSRF via BIL. Projects that are being actively planned and ready to proceed within the next 18 months will be used in developing the RI CWSRF Program's State Fiscal Year 2025 Intended Use Plan (IUP), to be submitted to EPA later this spring. The Intended Use Plan demonstrates to EPA how the RI CWSRF program intends to use the funds. (The draft FY '25 IUP will be posted for public comment by RIIB after the PPL is developed.)

What types of projects are priorities for RI and eligible for RI CWSRF financing?

The RI CWSRF program can finance a wide array of water pollution abatement and water quality improvement projects at their planning, design, and/or construction stages. Water quality planning projects are eligible provided there is a reasonable expectation that the planning will result in an eligible capital project. Types of eligible priority projects include:

For publicly owned wastewater treatment works:

- Wastewater infrastructure, including projects for upgraded treatment and projects to replace, rehabilitate, or improve aging sewers, pump stations, and treatment facilities
- Combined sewer overflow and sanitary sewer overflow abatement
- Projects that reduce demand of publicly owned treatment works capacity via water conservation and efficiency, or through addressing inflow/infiltration
- Projects that reduce the energy consumption needs of the wastewater facility via renewable energy and energy efficiency projects
- Projects that make wastewater infrastructure more resilient to the effects of climate change, including long-range planning and cost-benefit analysis for adapting or relocating wastewater facilities
- Sewer extensions to identified areas of failing on-site systems
- Capital projects that increase the security or cybersecurity of the wastewater facilities
- Development of RIDEM required Wastewater Facility Plans and updates
- Greenhouse gas (GHG) inventory and mitigation plan with submission to a registry

For polluted stormwater runoff:

- Projects to reduce and treat stormwater runoff. Projects that retrofit developed areas utilizing 'green' stormwater infrastructure are particularly encouraged and incentivized for municipalities. Green infrastructure treats stormwater close to where it falls using soils and/or plants to capture pollutants and mimic or restore natural hydrology (groundwater recharge, evapotranspiration)
- Capital equipment necessary to facilitate the removal of pollutants from stormwater conveyance (street sweepers, vactor trucks, etc.)
- Development of a municipality-wide stormwater management plan that identifies the most effective placement of stormwater technologies and management approaches to reduce water quality impairments from stormwater on a municipality-wide basis.
- Development of Total Maximum Daily Load (TMDL) Implementation Plans (these are water quality restoration plans for specific waterbodies and pollutants as part of your MS4 program permit requirements)

Other- For nonpoint source pollution, aquatic habitat, and national estuary program:

Capital projects that implement the RI Nonpoint Source Management Program Plan (CWA Section 319 plan) and related 319 program watershed-based plans, or the Narragansett Bay Estuary Program's Comprehensive Conservation and Management Plan (CCMP) (aka CWA Section 320 plan)

- Community sponsored on-site wastewater system repair loan programs (aka, CSSLP)
- Treatment upgrade, repair, or replacement of existing failing small community decentralized wastewater systems
- Riverbank and estuarine restoration projects including riparian buffer, wetland, floodplain, and salt marsh restoration
- Landfill closures and landfill leachate collection and treatment
- Stream morphology restoration
- Stream and wetland connectivity restoration (dam removal, fish/ aquatic habitat passage improvement projects)
- Fee simple purchase of land or easements to conserve land that has a direct benefit to water quality, such as riparian buffers, wetlands, or drinking water source protection.
- Equipment to remove or prevent the spread of aquatic invasive species
- Projects to restore aquifers including recharge, pump and treat, and projects to decrease aquifer withdrawals

For PFAS and other Emerging Contaminants category: (use 'Other' form)

Emerging contaminants refer to substances and microorganisms, including manufactured or naturally occurring physical, chemical, biological, radiological, or nuclear materials, which are known or anticipated in the environment, that may pose newly identified or re-emerging risks to human health, aquatic life, or the environment. They can include many different types of natural or manufactured chemicals and substances – such as those in some compounds of personal care products, pharmaceuticals, industrial chemicals, pesticides, and microplastics.

- Projects with the primary purpose to treat emerging contaminants in wastewater, stormwater, and nonpoint source pollution that do not already have water quality criteria established by EPA, with the exception of PFAS.
- Capital equipment to remove or measure emerging contaminants in areas of concern
- The main categories of emerging contaminants include:
 - Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other persistent organic pollutants (POPs)
 - Biological contaminants and microorganisms, such as antimicrobial resistant bacteria, biological materials, and pathogens
 - Some compounds of pharmaceuticals and personal care products (PPCPs), including a wide suite of human prescribed drugs (e.g., antidepressants, blood pressure medications, hormones), over-the-counter medications (e.g., ibuprofen), bactericides, fragrances, UV filters (sunscreen agents), detergents, preservatives, and repellents;
 - Nanomaterials, microplastics, and nanoplastics

What is the Green Project Reserve (GPR)?

Since 2012, the RI CWSRF has made efforts to reserve a portion of its funds to facilitate certain project types other than traditional wastewater infrastructure. The intent of the GPR is to direct investment in the water sector toward projects that utilize green or soft-path practices that cost-effectively reduce the environmental footprint of water and wastewater treatment, collection, and distribution. These are projects that help utilities adapt to climate change, or enhance water and energy conservation, as well as projects that help communities to adopt more sustainable solutions to wet weather flows, and promote innovative approaches to water management problems. All GPR projects must otherwise be eligible for CWSRF funding and must further the goals of the Clean Water Act. Projects must serve a public purpose and have a direct benefit to water quality. The Green Project Reserve is for green projects in the following categories:

- <u>green infrastructure</u>- a wide array of practices that manage wet weather where it falls and that maintain and restore natural hydrology by infiltrating, evapotranspiring, and harvesting and using stormwater rather than allowing it to be wasted as urban runoff
- <u>water efficiency</u>-the use of improved technologies and practices to deliver equal or better services with less net water use as compared to traditional or standard technologies and practices. This implements water saving elements, as well as water loss reduction, and reduced water consumption technologies and practices. The purpose is to reduce the amount of water taken out of rivers, streams, and groundwater aquifers in order to enhance the natural hydrologic functioning and protect water resources for the future, as well as to reduce energy use at a POTW.
- <u>energy efficiency</u>- the use of improved technologies and practices to reduce the energy consumption of water quality projects, use energy in a more efficient way, and/or produce/utilize renewable energy. Projects must be cost-effective and achieve at least a 20% reduction in energy consumption for the POTW facilities/unit process.
- <u>environmentally innovative activities</u>- these projects demonstrate new and/or innovative approaches to delivering services or managing water resources in a more sustainable way. Includes planning activities by a POTW to prepare for adaptation to the long-term effects of climate change and/or extreme weather, utility sustainability plans consistent with EPA SRF's sustainability policy, and greenhouse gas mitigation plans/implementation (submitted to a GHG registry). Treatment projects must address water quality via a technology or approach not widely utilized in Rhode Island, which is expected to perform as well or better than conventional means.

Requests for inclusion on the PPL are due by Friday, April 5, 2024. To be included on the PPL, each project must be submitted separately using the appropriate PPL Request form for the project type (i.e., Wastewater, Stormwater, or Other) provided by RIDEM. See below.

Please note that submission of a project to be on the PPL does not obligate the applicant to go forward with the project, nor does it guarantee RI CWSRF financing; but it is required to be on the PPL in order for that project to seek financial assistance via the RI CWSRF.

RIDEM will rate and rank all submitted projects and formulate the PPL according to criteria contained in the Rules and Regulations for the Priority Determination System for Federal and State Assistance for Construction of Water Pollution Abatement Projects (250-RICR-150-20-2, available at the RI CWSRF website link, below).

A 30-day public notice regarding the *draft* PPL will be posted on the Department's website with the opportunity for public comment. Revisions may be made based upon comments received. The final PPL will also be posted on the RIDEM CWSRF website: <u>http://www.dem.ri.gov/programs/water/finance/state-revolving-fund.php</u>

Federal eligibility limits certain activities from being funding. Examples of water-related projects that are not eligible via the CWSRF are projects that are not capital projects directly benefiting water quality/aquatic habitat. Such activities include:

- Operation or maintenance activities, or training for such (not capital projects)
- Dam repairs
- Culvert replacements (where purpose is not for habitat connection/water quality)
- Drainage projects/nuisance flooding (deals with location of water, not quality)
- Municipal / utility staff salaries
- Research or routine water quality monitoring

RIDEM and RIIB can assist in identifying other appropriate funding sources that may be available.

RIDEM also recognizes that certain clean water projects may be a component of a larger project (e.g., retrofitting green infrastructure as part of a redevelopment or recreation project). In such cases, it is important to clearly distinguish the eligible project from the other site development that may be taking place. The CWSRF can only fund the portion of a larger project that provides the meaningful water quality benefit.

Resources

EPA Provides Free Technical Assistance (TA):

EPA's free water technical assistance supports communities to identify water challenges, develop plans, build technical, financial, and managerial capacity, and develop application materials to access water infrastructure funding. For more information about EPA's Technical Assistance programs, visit

www.epa.gov/water-infrastructure/water-technical-assistance or contact WaterTA@epa.gov

If you have any questions about the RI CWSRF or the PPL, or if you need a *Word* version of the form (link to forms is on last page), please contact:

Jenny Paquet Supervising Environmental Planner RI Department of Environmental Management email: jenny.paquet@dem.ri.gov phone: (401) 537-4260

*A description of the affordability criteria for determining status as a disadvantaged community is available in the <u>FY'24 CWSRF Intended Use Plan</u> (IUP) on page 18. Please note that this may change in the FY'25 IUP.

CWSRF Requirements

Please note that use of the CWSRF loan funds, which are capitalized with federal and state money, requires that recipients and projects must follow certain programmatic requirements. Among these requirements, all procurements to be funded by the CWSRF must be publicly announced.

In order for costs of engineering consultants to be eligible, procurement of engineering services must follow the federal Brooks Act process, and the EPA's Disadvantaged Business Enterprise (DBE) Program, as well as the State of RI Minority Business Enterprise (MBE/WBE) regulations.

The RI Minority Business Enterprise regulations now require a minimum of 15% MBE/WBE participation on all contracts, split evenly for participation by 7.5% each for MBE and WBE.

Additionally, starting with the FY 2025 CWSRF funding cycle, the Build America, Buy America (BABA) provisions of the IIJA will apply to all projects that have not already been granted an adjustment period waiver, and with the exception of those new projects seeking funding of less than \$250,000, for which a small projects waiver is available. For more information on BABA, please <u>click here</u>.

For more information about programmatic requirements, please see the RI CWSRF Program Contract Documents page.

All projects must be publicly advertised bid/RFP/RFQ.

PPL Request Forms: Forms are due Friday, April 5, 2024

Fillable pdf <u>PPL Request Forms</u> are available on the RIDEM CWSRF webpage. There is limited space to provide your project information. Please be succinct or attach additional sheets if you need more space. You may also request a *Word* version. You may also attach supporting documentation if you would like, though it is not necessary.

Please use the appropriate request form for the project type. There are three forms this year:

- Wastewater form- for publicly owned wastewater projects (centralized treatment/collection systems)
- Stormwater form- for stormwater management projects, and
- Other form- for projects addressing Emerging Contaminants, Nonpoint Source Pollution, or National Estuary NBEP CCMP implementation.

Send your completed forms to: jenny.paquet@dem.ri.gov

or mail to: Jenny Paquet, CWSRF Program RIDEM OWR 235 Promenade Street PROVIDENCE, RI 02908 Any questions, please call (401) 537-4260