Funding and Financing Programs
What Are Michigan’s Water Infrastructure Needs?
$800 Million Annual Need
Water Infrastructure Financing Options

- Federal Funds
- State Programs
- Private Financing
- Local Bonds & Rate Increases
Reduce communities’ financial barriers to addressing critical infrastructure needs to protect public health and the environment.
Guiding Principles

- Address environmental and public health priorities
- Decrease the cost of treating, collecting, and distributing water
- Prioritize funding to communities implementing asset management plans
- Prioritize funding to disadvantaged communities
- Facilitate economic growth in communities while fostering sustainability and resiliency
- Support the “dig once” philosophy
- Coordinate with federal, state, and local partners
Two Existing State Revolving Fund (SRF) Programs Administered by EGLE

**Drinking Water**
- Program started in 1998
- Michigan receives $25 - $30 million annually of federal funds
- 20% state match required
- Program can support up to $200 million of projects
- $1.5 billion and 345 projects financed since beginning of program

**Clean Water**
- Program started in 1988
- Michigan receives $65 - $70 million federal funds annually
- 20% state match required
- Program can support up to $800 million of projects annually
- $5.4 billion and 642 projects financed since beginning of program
SRF Eligible Projects

**Drinking Water**
- Intake structures
- Pumping stations
- Storage tanks
- Treatment plants
- Distribution system improvements (pipelines, etc.)
- Water service lines (lead and galvanized)
- Municipal wells

**Clean Water**
- Elimination of combined sewer overflows
- Wastewater treatment system
- Collection system
- Removal of excessive inflow/infiltration
- Major sewer rehabilitation
- Pump station
- Nonpoint source projects
- Stormwater treatment
Water Infrastructure Funds Requested

Over $2.8 Billion for 2023 Construction Requested by 250 Applicants
SRF Project Selection Process

- **November**
  - Intent To Apply (Short Form)
- **July**
  - Drinking Water SRF Project Plans (Detailed Plan)
- **October**
  - Final Intended Use Plan
- **June**
  - Clean Water SRF Project Plans (Detailed Plan)
- **August**
  - Draft Intended Use Plan Based on Scoring
- **Following Year**
  - Construction
SRF Project Scoring Criteria

Defined in Statute and Rules
- Administrative Rules (Clean Water)
- Part 54, Safe Drinking Water Assistance, of Public Act 451 of 1994, as amended

Calculation of Various Factors
- Severity
- Compliance
- Population
- Disadvantaged
- Type of Project
SRF Disadvantaged Communities

Defined in Statute
- Part 53, Clean Water Assistance, of Public Act 451 of 1994, as amended
- Part 54, Safe Drinking Water Assistance, of Public Act 451 of 1994, as amended

Calculation of Various Factors
- Median Household Income
- Operation and Maintenance Costs
- Debt
New Funding

Public Act 53 of 2022 (Senate Bill 565)

Includes $4.7 Billion of Infrastructure Funding

$1.9 Billion Will be Administered by EGLE

3 Funds Included:
- American Rescue Plan Act (ARPA)
- Bipartisan Infrastructure Law (BIL)/Infrastructure Investment Jobs Act (IIJA)
- General Fund

15 Times More Than Annual EGLE State Revolving Fund Amount
Public Act 53

**Will**
- Support Needed Projects
- Provide Grant and Loan Funds, With the Majority Being Grants
- Build on the Success of the SRF Programs

**Will Not**
- Fund 100% of Statewide Water Infrastructure Needs
- Violate Federal and State Statute
- Unlikely to Decrease Current Water Rates
What Funds Can Communities Apply For Within Public Act 53?

Infrastructure Investment and Jobs Act

- $500 million loans and loan forgiveness
- Submit project plans in accordance with SRF process

American Rescue Plan Act

- $1 billion grant funding
- $600 million drinking water
- $400 million clean water
- Submit project plans in accordance with SRF process
How Can Communities Apply For Funds Within Public Act 53?

One Intent To Apply Form Triggers Conversation for Multiple Sources of Funding:

- SRF Traditional
- SRF IIJA
- ARPA

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### EGLE

**MICHIGAN DEPARTMENT OF ENVIRONMENT, GREAT LAKES, AND ENERGY**

**FINANCE DIVISION**

**CLEAN WATER AND DRINKING WATER STATE REVOLVING FUND/STRATEGIC WATER QUALITY INITIATIVES FUND**

**INTENT TO APPLY FORM**

This form should be submitted by all applicants seeking funding in the next five years. Applicants participating in the ITA process receive early indication of the funding outlook for their project(s).

**DATE:** Click here to enter text.

**PROJECT(S) NAME (Brief Identifier):** Click here to enter text.

**PROJECT(S) PURPOSE (Including general location and public health or water quality issue being addressed):** Click here to enter text.

**Applicant Legal Name:** Click here to enter text.

**Applicant Contact Name:** Click here to enter text. **Title:** Click here to enter text.

**Mailing Address (street, city, state, zip+4):** Click here to enter text. **Phone No.:** Click here to enter text. **Email:** Click here to enter text.

**Consulting Engineer Name (if applicable):** Click here to enter text. **Firm:** Click here to enter text.

**Mailing Address (street, city, state, zip+4):** Click here to enter text. **Phone No.:** Click here to enter text. **Email:** Click here to enter text.

**PROJECT INFORMATION**

**Applicant Population:** Click here to enter text. **Population Served by Project:** Click here to enter text.

**Treatment Facility Name (if applicable):** Click here to enter text.

**Estimated Total Project Cost:**

**Year 1 Costs:** Click here to enter text. **Estimated Year 1 Costs Financed Through SRF:** Click here to enter text.

**Future Year Costs (if applicable):** Click here to enter text. **Estimated Future Costs Financed Through SRF:** Click here to enter text.

**Other Funding Sources (check all that apply):**

- ☐ MDOT
- ☐ MEDC
- ☐ USDA Rural Development
- ☐ Other Financing/Funding Agency: Click here to enter text.

**Proposed Construction Start Date (mm/yyyy):** Click here to enter text.

**Completed Project-Related Planning Documents (check all that apply, do not need to submit at this time):**

- ☐ Capital Improvements Plan
- ☐ Asset Management Plan
- ☐ Preliminary Engineering Report
- ☐ Environmental Report
- ☐ Project Plan
- ☐ Infiltration & Inflow Study
- ☐ Sanitary Sewer Evaluation Study
Public Act 53 Two Year Cycle

Communities who applied for 2023 SRF cycle are eligible for IIJA and ARPA funding (funding determinations will be made by October 2022)

Communities who have not applied for 2023 SRF cycle can apply by November 2022 to be eligible for 2024 funding (funding determinations will be made by October 2023)
For communities that have not applied or those wanting general information regarding funding opportunities:

Contact Water Infrastructure Financing Section staff at 517-284-5433 or email EGLE-WIFS@Michigan.gov

Communities that have applied:

Have already been assigned an EGLE project manager and an engineer.
EGLE is reaching out to municipal officials for information, typically contained in a capital improvement plan, as part of a nationwide survey to guide investments in clean water infrastructure.

The Clean Watersheds Needs Survey (CWNS) helps determine resources needed in the next 20 years to improve wastewater, stormwater, decentralized, and nonpoint source systems.

• For more information, go to: www.epa.gov/cwns

• EGLE contact: Mark Conradi at ConradiM@Michigan.gov
Michigan Department of Environment, Great Lakes, and Energy

800-662-9278
Michigan.gov/EGLE

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