



ROUND 2 NYS WATER INFRASTRUCTURE IMPROVEMENT ACT GRANT SUMMARY DRINKING WATER

OVERVIEW

The New York State Water Infrastructure Improvement Act of 2015 (the Act) authorizes the New York State Environmental Facilities Corporation (EFC) to provide grants to assist municipalities in funding water quality infrastructure (NYS Water Grants program). NYS water grants are available for both drinking water and sewage treatment works (clean water) projects that protect or improve water quality and/or protect public health. The Drinking Water grants will be co-administered by the New York State Department of Health (DOH).

ROUND 2

EFC is currently offering \$175 million in NYS Water Grants for both clean and drinking water projects in Round 2. This document provides a summary of the requirements for drinking water projects in this second round of the NYS Water Grants program.

The amount of available for NYS Water Grants may not be sufficient to offer grants to all eligible applicants. EFC and DOH will evaluate all projects for which applications have been received by the deadline (5:00 p.m. June 20 , 2016) based on protection of water quality and public health, the readiness of the project to proceed expeditiously to financing and construction, and the economic distress of the municipality as determined by EFC's Hardship Policy.

BENEFIT

Applicants with eligible drinking water projects may receive a NYS Water Grant award as described below:

- Projects are limited to the lesser of \$3 million or 60% of total eligible project costs.
- Municipalities are limited to \$3 million of combined Drinking Water State Revolving Fund (DWSRF) grant and NYS Water Grant over a five-year period (October 1, 2011 to September 30, 2016).
- No municipality can receive more than \$3 million in grant for any combination of projects or phases of project, and no single project (if shared by more than one municipality) can receive more than \$3 million.



TIMING

Applications and information sufficient for a project to be considered for the second round of NYS Water Grant funding must be submitted no later than **5:00 p.m., June 20, 2016**. Applications that are submitted without all required information and requested documents may be deemed incomplete and not be processed. Applications must be submitted to NYSWaterGrants@efc.ny.gov. Documents submitted to supplement the application can be submitted through the EFC [dropbox](https://secure.jotform.us/form/41354310903141) (<https://secure.jotform.us/form/41354310903141>).

ELIGIBLE MUNICIPAL ENTITIES

A NYS Water Grant eligible entity is any municipality: a county, city, town, village, district corporation, county or town improvement district, school district, Indian nation or tribe recognized by the state or the United States with a reservation wholly or partly within the boundaries of New York State, any public benefit corporation or public authority established pursuant to the laws of New York or any agency of the State that is empowered to construct and operate a water quality infrastructure project.

All candidates for the second round of NYS Water Grant funding must meet the following criteria:

- Must be a municipally-owned federally defined community public water system;
- Must submit a NYS Water Grant Application to DOH, even if they are listed in the current IUP;
- Have not closed on a DWSRF financing OR short-term financing was closed on or after October 1, 2014; and
- Construction cannot have been completed before October 1, 2015.

ELIGIBLE PROJECTS

Consistent with the Act, water quality infrastructure projects funded through the NYS Water Grants program will be awarded to municipally-owned public water system projects for:

- replacement or repair of infrastructure; or
- compliance with environmental and public health laws and regulations related to water quality

Only those types of infrastructure projects defined as eligible by the DWSRF program may compete for NYS Water Grant funds. Projects eligible for NYS Water Grant funding include investments to upgrade or replace drinking water infrastructure, address noncompliance with federal or state drinking water health standards, prevent future violations of such standards, and provide the public with safe drinking water.

Examples of eligible projects include, but are not limited to:

- installation or replacement of transmission and distribution mains to prevent water loss or contamination caused by leaks or breaks;



- rehabilitation or development of new drinking water sources to replace or augment contaminated or deficient sources;
- installation or upgrading of facilities if the project will improve the quality of drinking water to comply with primary or secondary standards or treatment/performance criteria; and
- installation or upgrading of pumping and storage facilities, including finished water reservoirs, to prevent microbiological contamination or to provide adequate delivery pressures

Funds made available through the NYS Water Grant program can be used for costs associated with project planning, design, and construction services as long as those costs result in a completed eligible drinking water infrastructure improvement project.

EFC and DOH will consider and give preference to municipalities that meet the hardship criteria and projects that result in the greatest reduction in serious risk to public health based on the current DWSRF public health priority ranking system. A minimum of 75% of the NYS Water Grant funds for drinking water projects will be reserved for hardship communities.

A municipality is not required to take a DWSRF financing to receive the NYS Water Grant. However, all projects will be listed in the DWSRF IUP and DWSRF financial assistance will be made available as an option for the non-NYS Water Grant funded portion of the projects. The terms of the DWSRF financing will be in accordance with DWSRF program rules. NYS Water Grant awardees not utilizing DWSRF financial assistance will be required to provide proof of obtaining similarly low cost financing or other funding from another source. Applicants that are seeking DWSRF financial assistance along with NYS Water Grant funds, must have their projects listed on the 2016 DWSRF IUP or must submit the information necessary to be listed on the 2017 DWSRF IUP.

All awarded projects must comply with the state MWBE, Smart Growth and environmental review requirements. The MWBE goal for projects funded with a NYS Water Grant and DWSRF financial assistance is 26% combined MBE/WBE participation. For projects that are awarded a NYS Water Grant only, the MWBE goal is 30% combined participation. Applicants seeking DWSRF financial assistance for the non-NYS Water Grant funded portion of the project will also be required to meet all other applicable DWSRF requirements, such as American Iron and Steel and Davis-Bacon. Requirements for DWSRF financial assistance are discussed in the 2016 IUP.

APPLICATIONS

Applicants who would like to be considered for a NYS Water Grant in Round 2 must submit to DOH a NYS Water Grant Application and the following documentation:

- Engineering Report, including a project schedule and project budget(if not previously submitted)
- Smart Growth Assessment Form(if not previously submitted)
- Plan of Finance (only for projects not seeking DWSRF financial assistance)



- Complete DWSRF financing application if seeking DWSRF funding
- Bond Resolution (certified)
- Proof of District Formation (if applicable to project)
- Environmental Review (SEQR) documentation
- NYS Parks & Recreation & Historic Preservation Office (SHPO) review completed

EFC and DOH will review the submitted project documents for completeness and eligibility. Eligible candidate projects will be ranked by public health priority and evaluated for hardship. Projects that are on the Annual List of the 2016 DWSRF IUP and would like to be considered for NYS Water Grant funding must submit a complete NYS Water Grant Application and required documents as described above. Municipalities that have already submitted a complete DWSRF Financing Application are eligible to apply for NYS Water Grant funding by submitting a NYS Water Grant Application and the required documents described above. Unless the application has notified DOH that it does not wish to be considered for a grant in Round 2, applications received during Round 1 of the NYS Water Grant program that were not awarded a grant will be considered in Round 2, provided that the required documents described above are received and/or updated as appropriate by June 20, 2016.

Applicants that submit a NYS Water Grant Application for a project, but do not submit all of the required items by June 20, 2016, may be deemed “not ready” for funding in Round 2. In this case, the project but will remain eligible for a future round of funding.

PROJECT EVALUATION

Projects will be evaluated based on the project’s ability to reduce serious public health issues (Public Health Priority), project readiness (based on submittal of a complete application and required documents), and hardship (with a minimum of 75% of the NYS Water Grants for drinking water projects being reserved for hardship projects).

CONTACT US

Please direct all questions about the NYS Water Grant program and application for drinking water projects to:

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