



Funding Options for WWTPs

2021 Government Affairs Seminar



Local Sources

- Utility Revenue
 - consider an annual 1-2% annual rate increase
- General Fund



Local Sources

- Tax Increment Finance (TIF)
- Assessments
- Industry contributions
- Private donations
- Equipment Replacement Fund
- Open Bond Market

DNR - Environmental Loans – Clean Water Fund



Current Interest Rates are 0.891% and 1.485% for a 20 year loan

Principal Forgiveness and Loan

- Depends on population & median household income (MHI)
- Regular PF is capped at \$750,000
- Phosphorus Compliance
- Regionalization

Community Development Block Grant Public Facilities

Eligibility criteria

- 51% Low-moderate income (Census or Survey)
- Urgent local need

Grant Only - \$1 Local Match (1/3) for \$2 Grant (2/3)



USDA – Rural Development

- 40-year guaranteed loan
- Up to 45% grant
 - Utility rate criteria
 - MHI criteria
- Up to 75% grant
 - Health & human safety risk

Current Interest
Rates are
1.250% and
1.750% for a 40
year loan

EDA

- Municipality Applies
- Infrastructure upgrade related to impacts from New Industry or Industrial Expansion
 - Creating or retaining jobs
- 50% Grant



State Trust Fund and CWF Small Loan

- Loan Only
- Not as many funding requirements

Current GO
Interest Rates
are between
2.5% and 4%
depending on
term

Other Options

- Army Corp of Engineers - CWIFP/WIFIA
- FEMA
 - Public Assistance
 - Building Resilient Infrastructures and Communities (BRIC)
- Focus On Energy Incentive
- Partnerships
 - Private/Public
 - Interagency
 - Intermunicipal
 - Tribal

Municipal Advisor

- Dodd-Frank Act
- Impact on Rates and Cash Flow
- Project Affordability Evaluation
 - Most Advantageous Project Funding
 - Present and Future Infrastructure Needs Outlook and Overall Community Financial Health
- Duty of Care and Loyalty – Fiduciary Duty

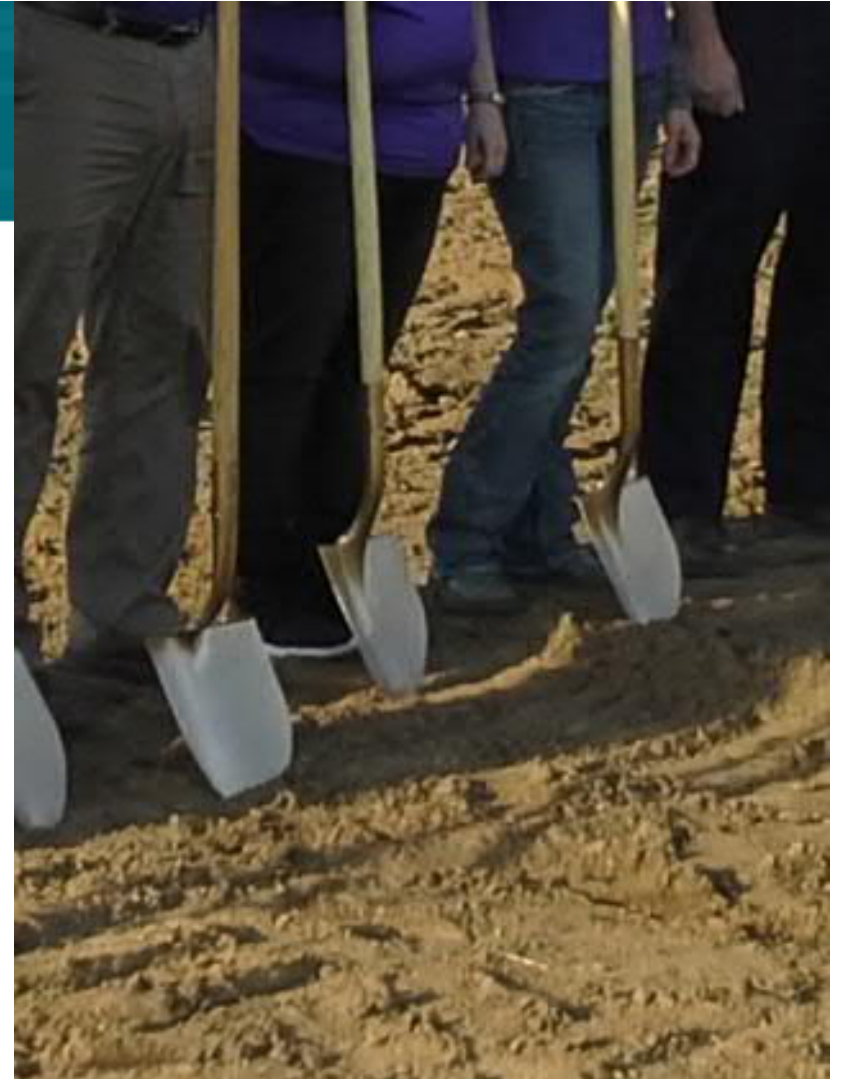
Additional Considerations

- Not everyone is eligible for every program
- Sources can be highly competitive and are not guaranteed
- Funding Requirements
 - Davis Bacon Wages
 - American Iron and Steel
- Deadlines/Important Dates
- Combine Projects/Funding Sources

Stimulus Funding

Shovel-ready and Shovel-worthy

- ✓ Utilize your GIS information
- ✓ Review your Capital Improvement Plan (CIP)
- ✓ Pull your facilities plan
- ✓ Update your comprehensive plan
- ✓ Modernize your park plans
- ✓ Create a strategic plan
- ✓ Develop a road improvement prioritization plan



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