

Texas Water Development Board

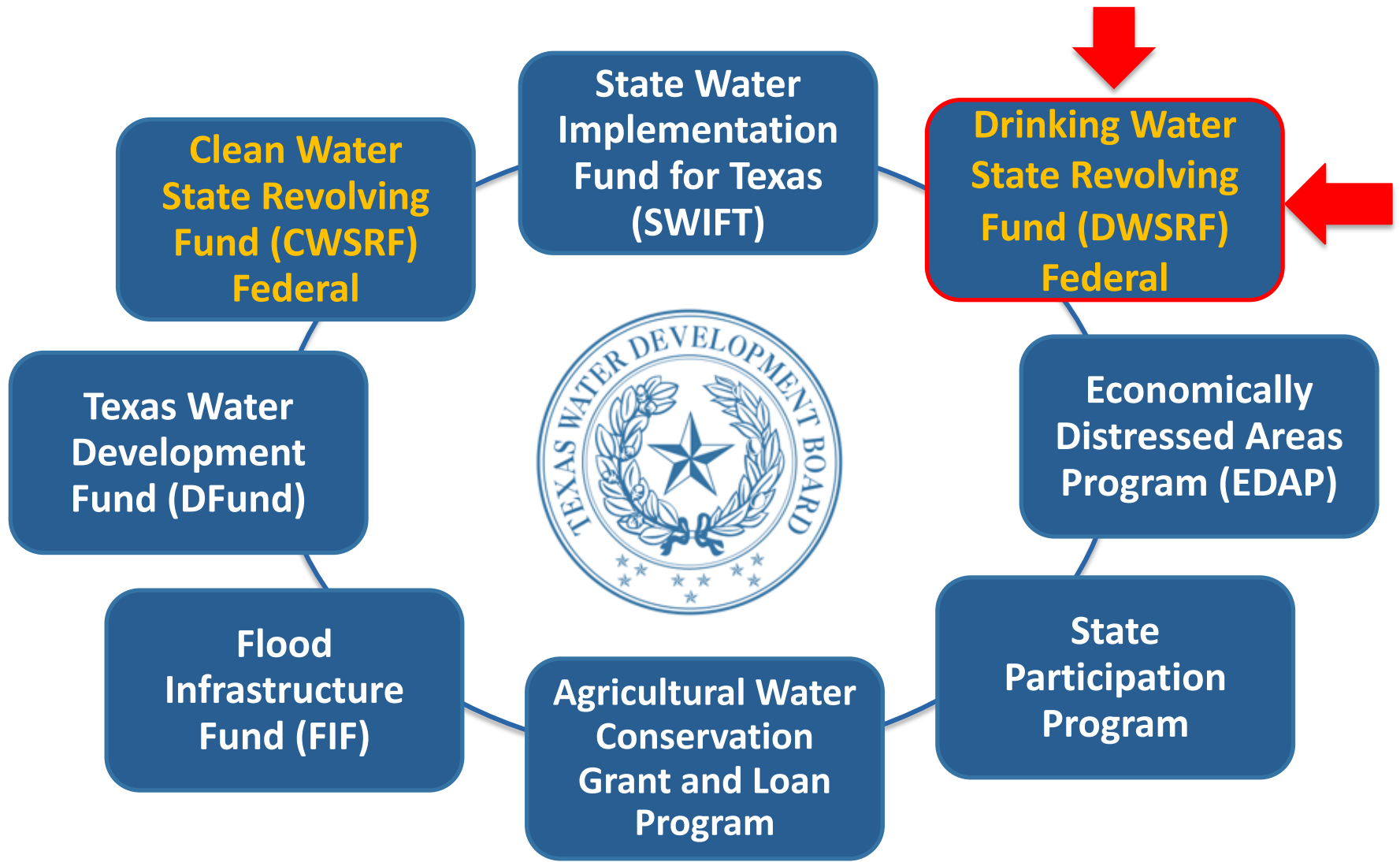
Financial Assistance

Drinking Water State Revolving Fund Lead Service Line Replacement Program

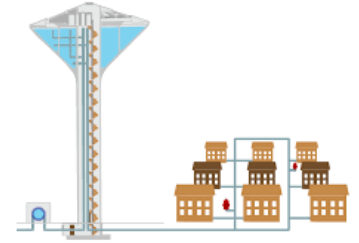
Funding for projects and associated activities directly connected to the identification, planning, design, and replacement of lead service lines.

Project Priority Invitation State Fiscal Year 2023

Popular TWDB Financial Assistance Programs



DWSRF Eligible Applicants



- ❖ Public & Privately Owned Water Systems
 - Cities, Counties, Districts, Water Authorities...
- ❖ Nonprofit Water Supply Corporations
- ❖ Nonprofit, Non-Community Public Water Systems

Drinking Water State Revolving Fund (DWSRF)

Infrastructure Investment & Jobs Act (IIJA)

DWSRF - Established in 1996 as part of amendments to the Safe Drinking Water Act. Low-cost financial assistance is available including loan forgiveness.

IIJA - **Supplement** to the existing Drinking Water State Revolving Fund

➤ New Funding Categories

- **Lead Service Line Replacement** – PIF Due May 23



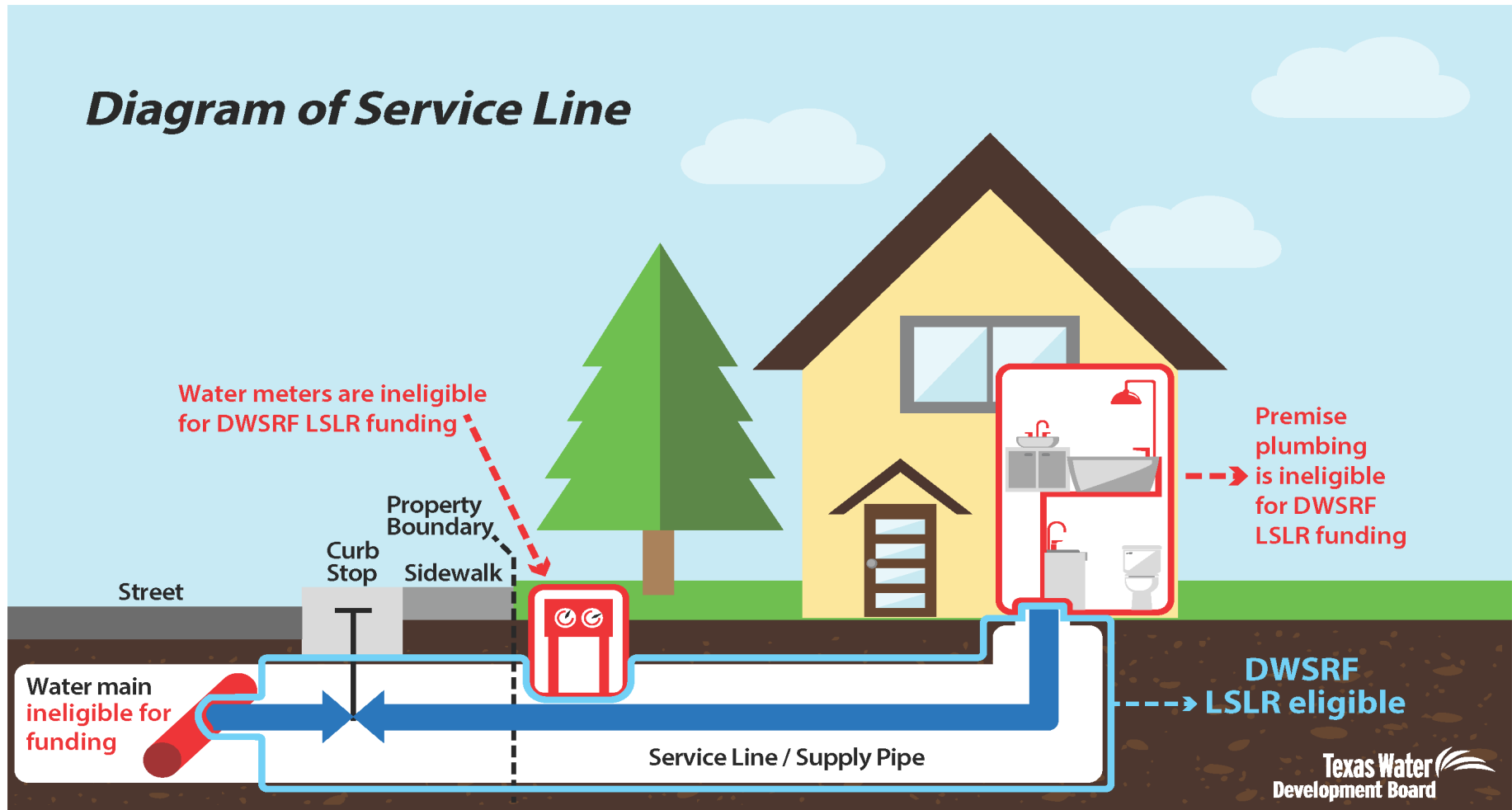
Examples of Eligible LSLR Projects

- ❖ Development or updating of lead service line inventories
- ❖ Non-routine lead sampling (if not for compliance purposes)
- ❖ Inventory methods; observation, excavation, vacuum, analysis
- ❖ Planning and design for infrastructure projects
- ❖ Complete removal of lead service lines
- ❖ Removal of lead/galvanized goosenecks, pigtails, connectors
- ❖ Replacement of curb stops, and curb stop boxes
- ❖ Temporary pitcher filters or point-of-use (POU) devices
- ❖ Site restoration, including landscaping, sidewalks, driveways

Example of DWSRF Service Line

Water meters, mains, and premise plumbing replacements are ineligible for funding under this specific DWSRF LSLR program.

Diagram of Service Line



LSLR IUP Principal Forgiveness / Loan Ratio

A total of \$213,455,000 is available for projects under the SFY 2023 LSLR Intended Use Plan (IUP).

An entity's project must meet the disadvantaged criteria to receive funding under this (IUP).

All financing will be made at the ratio of 51% principal loan forgiveness and 49% loan including the financed 2.0% loan origination fee.

Dollars and percentages will be different for SFY24.

EXAMPLE Forgiveness / Loan Ratio

All financing will be made at the ratio of 51% principal forgiveness and 49% loan including the financed 2.0% loan origination fee.

\$100,000 project

\$49,980 loan (49%) + (2.0% origination fee \$980)

\$51,000 principal loan forgiveness (51%)

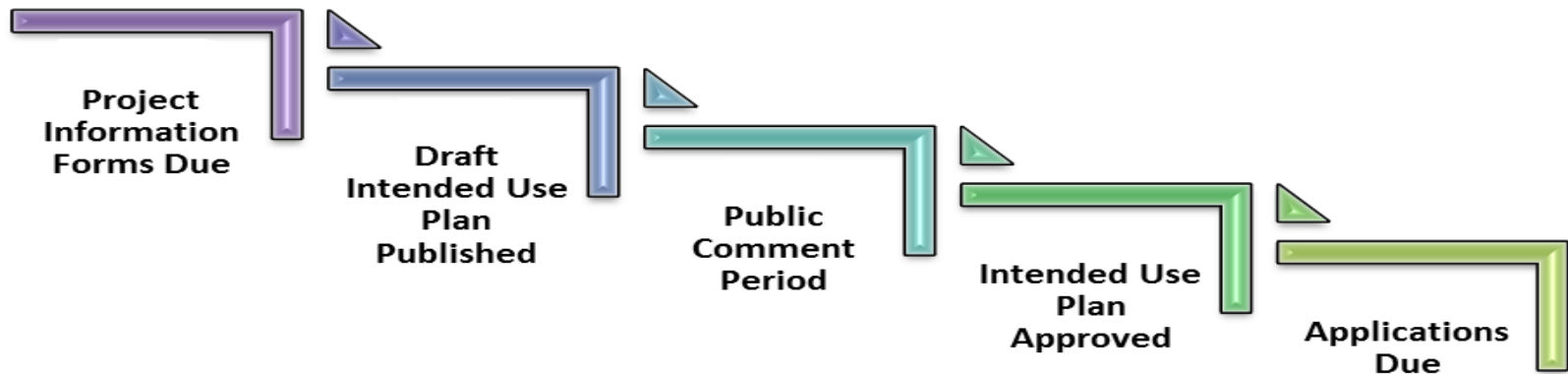


Federal Requirements and Assurance

- ❖ Davis-Bacon Wage Rate Requirements
- ❖ American Iron and Steel (AIS)
- ❖ Build America, Buy America Act, 2021 (BABA)
- ❖ National Environmental Policy Act (NEPA)
- ❖ Accounting Principles as issued by the Governmental Accounting Standards Board
- ❖ Public Awareness Signage
- ❖ Federal Procurement - Disadvantaged Business Enterprise Program

LSLR Funding Cycle

Major steps in the production of the LSLR Intended Use Plan FFY 2022 Allotment



Timeline Estimate:

1. Project Information Form (PIF) Due - May 23, 2023
2. Draft IUP – July 2023
3. Public Comment Period – July 10-25, 2023
4. IUP Approved – August 10, 2023
5. Invitations to submit formal applications – October 2023
5. Formal Applications due within 4-months – December Target



Public Comment Period Drinking Water State Revolving Fund Lead Service Line Replacement Funding Draft Intended Use Plan with Project Lists

The Texas Water Development Board (TWDB) is holding a second period of public review and comment before the approval and adoption of the draft State Fiscal Year (SFY) 2023 State Revolving Fund (SRF) Intended Use Plan (IUP) for the Federal Fiscal Year 2022/SFY 2023 Lead Service Line Replacement Funding. This draft IUP includes the ranked Project Priority List.

The main revision from the initial draft IUP is the addition of a Reserve for Construction-Ready projects. Construction-ready means the entity has identified specific lead service lines to be replaced or is currently underway with replacing lead service lines. The TWDB would reserve \$53,400,000 of the project amount for commitments, including the loan origination fee, for projects that TWDB determines are construction-ready, with a limit of up to \$10,680,000 in total commitments including the loan origination fee per entity or project for funding under this reserve. From the reserve, TWDB would prioritize \$32,040,000 for entities that have identified specific lead service lines to be replaced and \$21,360,000 for entities that are currently underway with replacing lead service lines.

The documents are available online:

- [Draft SFY 2023 DWSRF Lead SLR IUP](#) and [2023 DWSRF Lead SLR Project Rating Details](#)

This period of public review and comment begins June 29, 2023, and ends on **July 17, 2023**. If you wish to present comments concerning the Draft SFY 2023 DWSRF Lead Service Line Replacement IUP to the TWDB, you have three options:

1. Emailing comments to the following electronic mail address and specifying in the subject line "DWSRF LSLR comments" DWSRF@twdb.texas.gov
2. Submit written comments to the following postal mail address:
Mr. Mark Wyatt
Director, Program Administration and Reporting
Texas Water Development Board
P.O. Box 13231
Austin, TX 78711
3. Attend a public hearing on July 17, 2023, at 9:30 A.M. at the Stephen F. Austin State Office Building, Room 170, in Austin, Texas.

For assistance regarding the DWSRF program, please contact Heather O'Keefe at 512-475-1835. You can also email the program at DWSRF@twdb.texas.gov.

Intended Use Plan (IUP)

Drinking Water State Revolving Fund (DWSRF) Loan Program

- [DWSRF Program Information Sheet](#)
- [View State Revolving Fund Webinar February 5, 2021](#)
- [View State Revolving Fund Webinar January 29, 2021](#)
- [State Revolving Fund Programs Webinar PDF](#)
- [State Revolving Fund Program FAQs](#)
- [Project Information Form Webinar FAQs](#)

1. What can the program do for you?

The Drinking Water State Revolving Fund, authorized by the Safe Drinking Water Act, provides low-cost financial assistance for planning, acquisition, design, and construction of water infrastructure.

2. Who can borrow?

Eligible applicants for the DWSRF include publicly and privately-owned community water systems, including nonprofit water supply corporations and nonprofit, non-community public water systems.

3. What types of projects can I use the loan funding for?

Financial assistance from the DWSRF can be utilized for:

Agriculture Water Conservation Grants

Agriculture Water Conservation Loans

Asset Management Program for Small Systems

Clean Water State Revolving Fund

Drinking Water State Revolving Fund

Intended Use Plan

Select One

View Document

Project Priority List

Select One

View Document

Project Information Forms & Guidance

Financial Assistance Application

Drinking Water SRF Annual Reports

Select One

View Document

Green Project Reserve

Urgent Need Funding for Disasters

Davis-Bacon Act Requirements

- Instructions for Requesting Additional Wages (SF 1444)

User-friendly interface with ability to select IUP's and PPL via drop-down by SFY.

SFY24

What is the capacity dollar amount for the second round of funding? **Not sure**

What is the timeline for SFY24 PIF solicitation? **TBD**

TWDB Contacts & Resources

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TCEQ Lead and Copper Rule Revisions

512-239-4691

LCRR@tceq.texas.gov

Team #1 - Panhandle/West (regions A/O/E/F)
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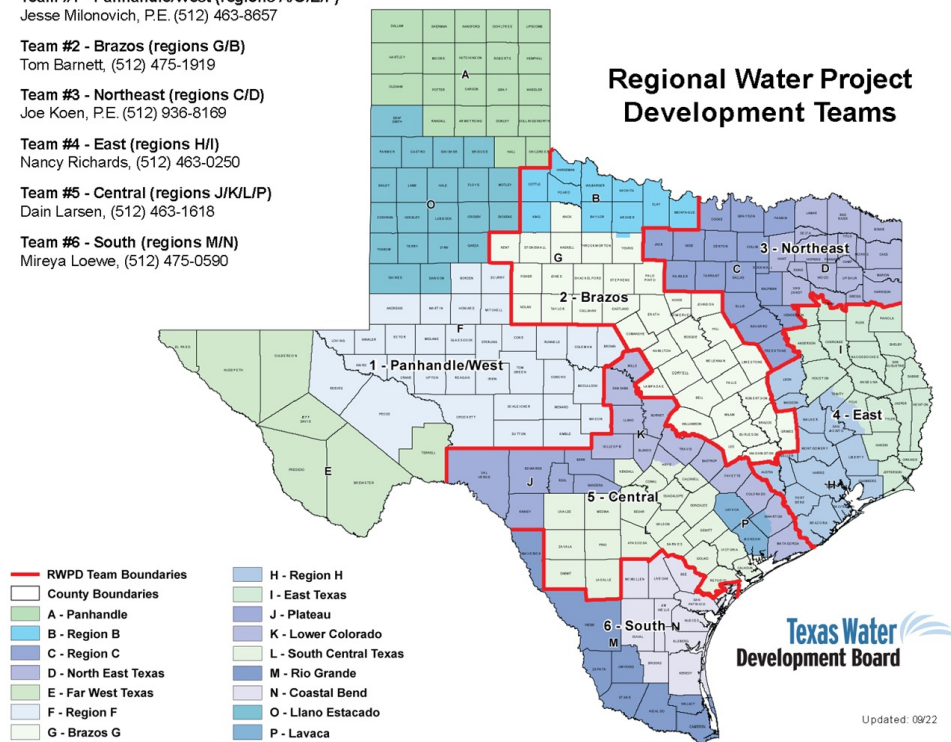
Team #2 - Brazos (regions G/B)
Tom Barnett, (512) 475-1919

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Team #4 - East (regions H/I)
Nancy Richards, (512) 463-0250

Team #5 - Central (regions J/K/L/P)
Dain Larsen, (512) 463-1618

Team #6 - South (regions M/N)
Mireya Loewe, (512) 475-0590



Resources Links

- * **Drinking Water State Revolving Fund Program**

www.twdb.texas.gov/financial/programs/DWSRF/index.asp

- * **DWSRF – Lead Service Line Replacement Program**

www.twdb.texas.gov/financial/programs/Lead-SLR/index.asp

- * **Federal Procurement – Disadvantaged Business Enterprise (DBE)**

www.twdb.texas.gov/financial/programs/DBE/index.asp

- * **TCEQ Lead and Copper Program**

www.tceq.texas.gov/drinkingwater/chemicals/lead_copper

- * **EPA Lead and Copper Rule**

www.epa.gov/dwreginfo/lead-and-copper-rule

- * **EPA Lead Removal Funding Guide**

www.epa.gov/sites/default/files/2020-12/documents/ej_slr_funding_sources-final.pdf