



## Agency Priority Goal Action Plan

# Empower Communities to Leverage EPA Water Infrastructure Investments

### Goal Leaders:

Office of Wastewater Management (OWM)

Goal Leader: Andrew Sawyers, Director

Deputy Goal Leader: Raffael Stein, Director, Water Infrastructure Division

Office of Ground Water and Drinking Water (OGWDW)

Goal Leader: Peter Grevatt, Director

Deputy Goal Leader: Anita Thompkins, Director, Drinking Water Protection Division

# Overview

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## Goal Statement

- **Empower communities to leverage EPA water infrastructure investments.** By September 30, 2019, EPA will increase by \$16 billion the non-federal dollars leveraged by EPA water infrastructure finance programs (Clean Water and Drinking Water State Revolving Funds and the Water Infrastructure Finance and Innovation Act).<sup>1</sup>
  - Repairing and modernizing the outdated water infrastructure upon which the American public depends is an Administration priority. This measure will demonstrate the power of EPA's water infrastructure programs to leverage funding from non-federal resources by focusing on increasing the amount of non-federal funds leveraged by the programs.

## Challenge

- The state run and implemented Clean Water and Drinking Water SRF programs (102 total) are a clear example of cooperative federalism. Each state implements its Clean Water and Drinking Water SRF programs to address state-specific environmental, public health and economic priorities. Individual state priorities drive SRF program implementation and investment decisions, including the extent to which a state leverages non-federal funds to support program implementation. The diversity of the state-run SRF programs means that the financial structure of these programs is state determined, is not one-size fits all, and the leveraging of non-federal funds varies from state to state.
- Increasing the amount of non-federal dollars leveraged to support water infrastructure projects will require buy-in from states, local municipalities and utilities, and private entities.

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<sup>1</sup> For additional information, refer to the historical performance and target setting slide and the contributing programs slide.

# Overview, continued

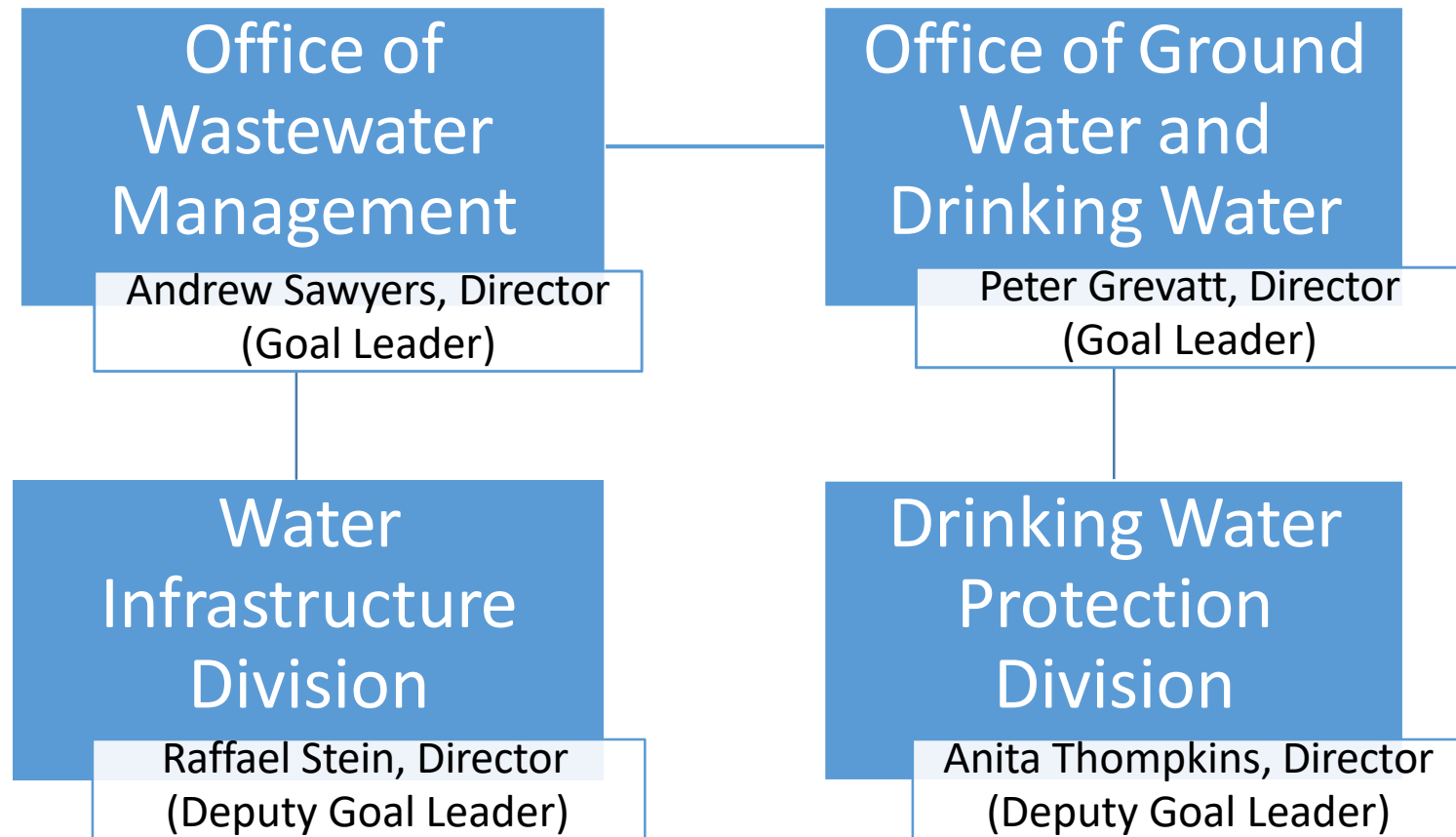
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## Opportunity

- Increasing the amount of non-federal dollars leveraged to support water infrastructure projects is critical to meeting the national need to repair and modernize outdated water infrastructure. Combined, EPA's three primary water infrastructure programs, Clean Water State Revolving Fund, Drinking Water State Revolving Fund and Water Infrastructure Finance and Innovation Act program, are the largest source of federal funds to assist states and localities in the repair and modernization of outdated water infrastructure nationwide. Combined, they represent a powerful opportunity to leverage non-federal dollars. EPA's Water Finance Center – whose core focus is to assist states and localities across the nation by providing tools and resources that encourage innovative financing strategies – also presents opportunities to further strategies to increase leveraging of non-federal dollars. Through these programs, the Agency has developed strong partnerships with states, local municipalities and utilities, and private entities. These partnerships will play a vital role in successfully promoting increased leveraging of non-federal dollars.

# Leadership

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Refer to the contributing programs slide for information on supporting programs.

# Goal Structure & Strategies

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- **Strategy 1: Engagement With Water Infrastructure Community** (states, local municipalities and utilities and, private entities)
  - Maximize engagement with the water infrastructure community with a focus on opportunities to drive discussions about the vital role that non-federal dollars play in the repair and modernization of water infrastructure across the country.
  - Promote innovative water infrastructure financing opportunities, including state and local equity and private funding.
  - Engage water finance (utilities and water associations) experts to identify ways to promote the leveraging of non-federal dollars to complement federal state revolving fund (SRF) and Water Infrastructure Finance and Innovation Act (WIFIA) funding for projects.
- **Strategy 2: Tools, Training and Resources**
  - Promote transformative predevelopment practices that help utilities plan for financing water infrastructure improvements such as full-cost pricing, asset management, effective utility management, etc.
  - Promote existing and new tools and resources that educate communities across the country about federal and non-federal funding opportunities, project eligibilities, and financial leadership strategies.
  - Work with partners (States, regions, water associations) to promote tools, training and resources focused on water infrastructure finance innovations at the state and local government levels.
  - Provide training opportunities that focus on innovative financing strategies to federal, state and local stakeholders.
  - Provide information on alternative governance and peer-to-peer support.

# Goal Structure & Strategies, continued

- **Strategy 3: Program Oversight**

- Integrate into program oversight activities an emphasis on growing the non-federal component of overall funding for infrastructure projects.
- Discuss ongoing and potential actions with the state SRF programs that support the leveraging of the federal investment.
- Facilitate cross-state communication on leveraging the federal investment by sharing success stories from other SRF programs.

## **EPA Lean Management System (ELMS)**

- EPA continues to deploy its new EPA Lean Management System (ELMS) to achieve the results set forth in the Strategic Plan. As part of ELMS, EPA has conducted multi-day process improvement events to make significant progress in specific priority areas, including permitting, identified in the Strategic Plan.
- Visual management is a major aspect of ELMS that is being used to ensure that improvements from the events are achieved and will be sustained over time. Poster boards with regularly updated performance data serve as visual management for monitoring progress towards meeting the targets set forth in the Strategic Plan, while additional poster boards are being used to track the work flow necessary to achieving the targets. Managers and staff have weekly stand-up huddle meetings in front of their visual management boards to discuss the performance and flow of the process.
- In addition, National Programs and Regional Offices hold Monthly Business Review meetings to go over both the strategic measures tracked on scorecards, and the implementation plans that track progress on Strategic Plan and priority area projects identified for EPA under President Trump's Executive Order on a Comprehensive Plan for Reorganizing the Executive Branch. The Administrator and Chief of Operations hold quarterly performance reviews to monitor overall progress on the agency's Strategic Plan and priority area projects.
- ELMS is designed to ensure that EPA regularly monitors progress toward meeting targets and takes immediate action if expected performance is off track.

# Summary of Progress – FY 2018 Q1

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## **Strategy 1: Engagement With Water Infrastructure Community:**

- EPA conducted 3 WIFIA outreach sessions in Colorado, Tennessee and Kansas, with 71 attendees.
- EPA jointly sponsored the Council of Infrastructure Financing Authorities (CIFA) 2017 SRF National Workshop, addressing Clean Water (CW) and Drinking Water (DW) State Revolving Fund (SRF) streamlining, sharing resources, promoting partnerships, water privatization, private-public partnerships, and co-funding opportunities.
- EPA held a State/EPA SRF Workgroup Meeting, a partnership between EPA Headquarters, Regions, and State CW and DW SRF programs, addressing programmatic implementation issues and innovative financing approaches and facilitating cross-state communication.
- EPA held a webinar, featuring USDA-Rural Development, highlighting DW SRF infrastructure and technical assistance eligibilities and funding mechanisms available to drinking water systems.

## **Strategy 2: Tools, Training and Resources:**

- EPA released *Water Infrastructure Financial Leadership: Successful Financial Tools for Local Decision Makers*. The document, developed by EPA's Water Finance Center in partnership with the Environmental Council of the States (ECOS), highlights successful strategies that local decision makers have used to fund and finance water infrastructure.
- EPA conducted 3 Water Infrastructure Finance and Innovation Act (WIFIA) nationally accessible and attended webinars on accessing infrastructure financing offered by the WIFIA program.

## **Strategy 3: Program Oversight:**

- The CWSRF and DWSRF programs each conducted 14 state reviews. The state reviews are an opportunity for EPA Headquarters and the Regions to discuss national priorities with the state-run programs, including increasing the non-federal dollars leveraged by EPA water infrastructure finance programs.

# Summary of Progress – FY 2018 Q2

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## **Strategy 1: Engagement With Water Infrastructure Community: On Track**

- The Environmental Financial Advisory Board (EFAB) discussed and approved at its two-day meeting in February two charters that have bearing on leveraging the non-federal dollar: public-private partnership predevelopment protocols and regionalization of water infrastructure. EFAB's work generally focuses on lowering the cost of environmental protection, removing financial and programmatic barriers that raise costs, increasing public and private contribution in environmental facilities and services, and building state and local financial ability to meet environmental laws.
- In March, EPA participated in the Council of Federal Infrastructure Financing Authorities Federal Policy Conference. Conference topics included recent state revolving fund (SRF) developments, infrastructure financing, budget and appropriations, and tax and environmental policy.
- EPA hosted the biannual 2-day meeting of the State-EPA SRF Workgroup in March. Meeting topics included SRF streamlining and innovative finance approaches. The meeting fosters cross-state communications.

## **Strategy 2: Tools, Training and Resources: On Track**

- While there are no highlights to report this quarter, the Agency has a number of activities scheduled for the third quarter. For more information, see the key milestone chart for this strategy.

## **Strategy 3: Program Oversight: On Track**

- The CWSRF and DWSRF programs each conducted 21 state reviews this quarter and both programs are on track to complete 51 reviews this fiscal year. The state reviews are an opportunity for EPA Headquarters and the Regions to discuss national priorities with the state-run programs, including increasing the non-federal dollars leveraged by EPA water infrastructure finance programs.



# Summary of Progress – FY 2018 Q3

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## **Strategy 1: Engagement With Water Infrastructure Community: On Track**

- On April 16-17, 2018, the Water Finance Center co-hosted the Region 8 Water Finance Forum in Casper, WY with EPA Region 8 and the National Rural Water Association Environmental Finance Center. Topics included ways to increase financial viability and access to funding, develop operational resiliency, and build stakeholder understanding and support.
- Water Week April 16-20, 2018: OW participated in a number of events including the water policy fly-in, panel discussions, and meetings with water utilities, associations, and top officials from water sector groups.

## **Strategy 2: Tools, Training and Resources: On Track**

- The Water Infrastructure Finance and Innovation Act (WIFIA) program held 5 webinars for prospective borrowers.
- The Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs held 4 trainings: 2 State Financial Trainings and 2 SRF 101 Trainings. These trainings are tailored to the needs of the states and cover core programmatic and financial requirements.

## **Strategy 3: Program Oversight: On Track**

- The DWSRF program completed its remaining state reviews this quarter, bringing total DWSRF state reviews conducted in FY 2018 to 51. The CWSRF program completed all but one remaining review this quarter. The final CWSRF state review will be conducted in July 2018.
- The WIFIA program executed 2 loan agreements to King County, Washington, and Omaha. Non-federal funds leveraged by these two projects total \$212.5 million.
- The WIFIA program published its second Notice of Funding Availability on April 12, 2018. In FY 2018, Congress provided at least \$55 million in budget authority for the WIFIA program to cover the subsidy required to provide a much larger amount of credit assistance. The purpose of the NOFA is to solicit letters of interest (LOIs) from prospective borrowers seeking credit assistance from EPA. The NOFA closes on July 31, 2018.

# Summary of Progress – FY 2018 Q4

In FY 2018, EPA increased by \$9.7 billion the non-federal dollars leveraged by EPA water infrastructure finance programs, and is on track to meet its FY 2019 goal of \$16 billion.

## **Strategy 1: Engagement With Water Infrastructure Community: Completed**

- U.S. Water Alliance One Water Summit, July 10-12, 2018: EPA's Office of Water (OW) participated in this conference of several hundred thought leaders representing a dynamic cross-section of water stakeholders for site visits, networking, and dynamic presentations on moving One Water forward.
- CoBank's Energy and Water Executive Forum, August 9, 2018: OW participated in this event where industry leaders came to learn from economists, policy experts, and business executives.
- EPA's Environmental Financial Advisory Board Summer Meeting, August 22-23, 2018: OW participated in this public meeting to hear from and discuss with informed speakers on environmental finance issues, proposed legislation, and EPA priorities.
- 2018 Water Finance Conference, August 28-29, 2018: The conference focused exclusively on water finance and was led by notable experts in the water industry. The Water Infrastructure Finance and Innovation Act (WIFIA) program presented WIFIA financing case studies covering WIFIA's interest rate calculation, estimated fees, financing flexibilities, and overall cost savings when compared to other sources of funding.

## **Strategy 2: Tools, Training and Resources: On Track for Completion in FY 2019 Q1 and Q2**

- The Clean Water State Revolving Fund (CWSRF) and Drinking Water State Revolving Fund (DWSRF) programs held 2 trainings: 1 State Financial Training and 1 SRF 101 Training. These trainings are tailored to the needs of the states and cover core programmatic and financial requirements.

## **Strategy 3: Program Oversight: Completed**

- The CWSRF program completed its remaining state review this quarter, bringing total CWSRF state reviews conducted in FY 2018 to 51.
- The WIFIA program executed 2 loan agreements to Orange County Water District, California and San Francisco, California. Non-federal funds leveraged by these two projects total \$874.7 million.
- The WIFIA program published its second Notice of Funding Availability on April 12, 2018 with a closing date of July 31, 2018 to solicit Letters of Interest (LOIs) from prospective borrowers seeking credit assistance from EPA. The WIFIA program received 62 LOIs by July 31, 2018.

# Key Milestones: Engagement with Water Infrastructure Community

- **Strategy 1:** This strategy encompasses a wide range of activities across a number of programs and includes meetings, conferences, workshops, information sessions, finance forums, etc.

Milestone Summary

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
WIFIA Outreach, in-person event, Denver, Colorado	Q1 FY 2018 11/8/2017	Completed		OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and letter of interest tips (32 attendees).
WIFIA Outreach, in-person event, Nashville, Tennessee	Q1 FY 2018 11/16/2017	Completed		OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and letter of interest tips (21 attendees).
WIFIA Outreach, in-person event, Lenexa, Kansas	Q1 FY 2018 11/29/2017	Completed		OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and letter of interest tips (18 attendees).
2017 Council of Infrastructure Financing Authorities (CIFA) SRF National Workshop	Q1 FY 2018 10/29-11/2/2017	Completed		OWM, OGWDW	Joint EPA and CIFA sponsored annual conference. Topics included: SRF trends, SRF streamlining, SRF financing developments, sharing resources, promoting partnerships, maximizing resources, water privatization and regionalization, public-private partnerships, and co-funding opportunities.
State/EPA SRF Workgroup Meeting	Q1 FY 2018 10/31-11/1/2017	Completed		OWM, OGWDW	Meeting discussions included: AIS implementation, streamlining the SRFs, and innovative financing approaches that help SRFs reach a wider range of projects. The meeting fosters cross-state communication.
Webinar: Use of DWSRF Set-asides and the DWSRF Eligibility Handbook	Q1 FY 2018 11/29/2017	Completed		OGWDW	EPA staff described ways that DWSRF funds can be used for infrastructure improvements as well as programmatic activities and technical assistance through the set-asides, including state examples (355 attendees).
WIFIA Outreach, in-person event, Washington, DC	Q2 FY 2018 1/17/2018	Completed		OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and letter of interest tips (79 attendees).
Webinar: CWSRF: A Flexible Tool for Advancing Clean Water	Q2 FY 2018 1/30/2018	Completed		OWM	The Environmental Council of the States (ECOS) webinar featured projects from three states demonstrating unique uses and dispersion of CWSRF funds, and offered case studies to build state capacity and knowledge of innovative financing mechanisms using multiple public and private funding sources. The webinar was a joint ECOS and EPA effort.

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Environmental Financial Advisory Board (EFAB) Meeting, Washington, DC	Q2 FY 2018 2/20-2/21/2018	Completed		OWM	EFAB, an advisory committee chartered under the Federal Advisory Committee Act, provides advice and recommendations to EPA on creative approaches to funding environmental programs, projects and activities. EFAB is pursuing the following charters that have bearing on leveraging the non-federal dollar: public-private partnership predevelopment protocols and regionalization of water infrastructure.
Webinar: Small System Funding with the DWSRF	Q2 FY 2018 2/27/2018	Completed		OGWDW	EPA presented DWSRF infrastructure and technical assistance eligibilities and funding mechanisms available to drinking water systems. The webinar was a joint ORD-OW effort, and also featured USDA-Rural Development.
2018 Council of Infrastructure Financing Authorities (CIFA) Federal Policy Conference	Q2 FY 2018 3/26-3/27/2018	Completed		OWM, OGWDW	Conference topics included: recent SRF developments, infrastructure financing, budget and appropriations, and tax and environmental policy.
State/EPA SRF Workgroup Meeting	Q2 FY 2018 3/27-3/28/2018	Completed		OWM, OGWDW	Meeting topics included: SRF streamlining and innovative financing approaches. The meeting fosters cross-state communication.
Public-Private Partnership (P3) Water Summit	Q3 FY 2018 4/3-4/4/2018	Completed		OWM	Attended by more than 600 public agency and water professionals to discuss the latest modes of water infrastructure delivery. The P3 Water Summit focused on public-private partnership education, financing, system management, operations, and networking for owners, system managers, developers, and industry leaders. WIFIA staff gave a WIFIA market update and spoke about P3s and Capital Program Solutions as well as the federal perspective on P3s.

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Milestone Summary					
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Water Finance Forum– Region 8	Q3 FY 2018 4/16 – 4/17/2018	Completed		OWM	On April 16-17 the Water Finance Center co-hosted the Region 8 Water Finance Forum in Casper, WY with EPA Region 8 and the National Rural Water Association Environmental Finance Center. Topics included ways to increase financial viability and access to funding, develop operational resiliency, and build stakeholder understanding and support.
Water Week: Water Policy Fly-in	Q3 FY 2018 4/17/2018	Completed		OWM OGWDW	NACWA, WEF, WRF, and WaterReuse co-sponsored this event. OW program directors participated on a panel discussion on OW priorities and lead breakout roundtable discussions.
Water Week: Water and Wastewater Equipment Manufacturers Fly-in	Q3 FY 2018 4/18/2018	Completed		OWM, OGWDW	EPA participated on a Panel Session to discuss OW priorities.
Water Week: Joint Officers Meeting with water sector CEOs and top elected officials	Q3 FY 2018 4/18/2018	Completed		OWM	On a regular basis, the CEOs and top elected officials from each of the water sector groups (NACWA, U.S. Water Alliance, WEF, WRF, WaterReuse, AMWA, AWWA and WWEMA) meet to coordinate their activities and look for additional opportunities to work together. OWM participated in this discussion of affordability, infrastructure needs, and utility governance/regionalization within the water sector.
Water Week: American Water Works Association (AWWA) Water Utility Council Meeting	Q3 FY 2018 4/19/2018	Completed		OWM OGWDW	The Water Utility Council is charged with setting legislative and regulatory priorities and positions for AWWA, and is composed of senior officials of water utilities. During this convening, EPA provided updates on several wastewater management and ground water and drinking water priorities.
Texas Water 2018	Q3 FY 2018 4/23 – 4/26/2018	Completed		OWM	Texas Water is an annual conference and exhibition event – the largest water-related conference event held in North America on a state-wide or regional basis. WIFIA staff presented basic information about the WIFIA loan program, including eligibility and other requirements.

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US Water Alliance <i>Strength in Numbers: Utility Strengthening through Consolidation</i>	Q3 FY 2018 6/4-6/5/2018	Completed		OWM, OGWDW	This forum invites approximately 30 water executives, policymakers, and thought leaders to a cross-sector and forward-looking dialogue focused on the role of utility consolidation in advancing sustainable and reliable water management in the U.S.
AWWA ACE 18	Q3 FY 2018 6/11-6/16/2018	Completed		OWM, OGWDW	ACE18 is set to inspire and connect the water sector with innovative solutions and new insights to help solve our global water challenges. The WIFIA program director participated on a panel with the borrower King County and talked about how to utilize WIFIA and their specific experience.
One Water Summit	Q4 FY 2018 7/10-7/12/2018	Completed	Changed from On Track	OWM	Several hundred thought leaders representing a dynamic cross-section of water stakeholders will come together for site visits, networking, and dynamic presentations on moving One Water forward.
CoBank's Energy and Water Executive Forum	Q4 FY 2018 8/9/2018	Completed	Changed from On Track	OWM	Each year, CoBank's Energy and Water hosts this event where industry leaders come to learn from economists, policy experts and business executives in a condensed, 2-day event.
EFAB Summer Meeting	Q4 FY 2018 8/22-8/23/2018	Completed	Changed from On Track	OWM	EFAB holds public meetings to hear from informed speakers on environmental finance issues, proposed legislation, and EPA priorities.
2018 Water Finance Conference	Q4 FY 2018 8/28-8/29/2018	Completed	Changed from On Track	OWM	This conference focuses exclusively on water finance and is led by notable experts in the water industry. WIFIA staff will present two WIFIA financing case studies. Case studies will review WIFIA's interest rate calculation, estimated fees, financing flexibilities, and overall cost savings when compared to other sources of funding.

# Key Milestones: Tools, Training and Resources

- **Strategy 2:** This strategy focuses on providing tools, training and resources that promote innovative financing strategies to federal, state and local stakeholders.

Milestone Summary					
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
Document: Water Infrastructure Financial Leadership: Successful Financial Tools for Local Decision Makers	Q1 FY 2018	Completed		OWM	EPA's Water Finance Center partnered with the Environmental Council of the States (ECOS) to develop this document that was released in October 2017. The document highlights successful strategies that have been used to fund and finance water infrastructure. The information can help local leaders: identify what is needed for financial planning, determine how to fund and finance a project, and consider which strategic approaches can be used to protect local investments.
Webinar: Overview of WIFIA program	Q1 FY 2018 12/6/2017	Completed		OWM	The first webinar of a three part series to convey the same information presented at the in-person sessions and allow participation from across the country (195 attendees).
Webinar: Benefits of Financing with WIFIA Loans	Q1 FY 2018 12/13/2017	Completed		OWM	The second webinar of a three part series to convey the same information presented at the in-person sessions and allow participation from across the country (95 attendees).
Webinar: WIFIA Application Process: Tips for Submitting a Letter of Interest	Q1 FY 2018 12/20/2017	Completed		OWM	The third webinar of a three part series to convey the same information presented at the in-person sessions and allow participation from across the country (87 attendees).
Webinar: WIFIA Letter of Interest Submission and Selection Process for Eligible Prospective Borrowers	Q3 FY 2018 4/23/2018	Completed		OWM	Participants learned how to submit a WIFIA letter of interest and how EPA will select projects this funding round (160 attendees).
Webinar: WIFIA Letter of Interest Submission and Selection Process for Small Community Prospective Borrowers	Q3 FY 2018 4/30/2018	Completed		OWM	Participants learned how to submit a WIFIA letter of interest and how EPA will select projects this funding round (79 attendees).



# Key Milestones: Tools, Training and Resources

- **Strategy 2:** This strategy focuses on providing tools, training and resources that promote innovative financing strategies to federal, state and local stakeholders.

Milestone Summary					
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
SRF State Financial Training – Region 10	Q3 FY 2018 5/1-5/3/2018	Completed		OWM, OGWDW	SRF State Financial Training. This training, tailored to the needs of the states, covers the financial aspects of the SRF and provides states with ideas/recommendations on how to deal with day to day financial implementation issues, build and maintain perpetuity in their SRFs and, how to avoid risks and possible defaults (36 attendees).
Webinar: WIFIA Letter of Interest Submission and Selection Process for Tribal Prospective Borrowers	Q3 FY 2018 5/2/20	Completed		OWM	Participants learned how to submit a WIFIA letter of interest and how EPA will select projects this funding round (19 attendees).
SRF 101 Training – Region 3	Q3 FY 2018 5/8-5/10/2018	Completed		OWM, OGWDW	SRF 101 is tailored to the needs of the states and provides a basic understanding of the SRF, both programmatic and financial. The training covers SRF federal requirements and eligibilities within the CW and DWSRFs. (33 attendees).
SRF 101 Training – Region 5	Q3 FY 2018 5/22-5/24/2018	Completed		OWM, OGWDW	SRF 101 is tailored to the needs of the states and provides a basic understanding of the SRF, both programmatic and financial. The training covers SRF federal requirements and eligibilities within the CW and DWSRFs. (27 attendees).
Webinar: WIFIA Letter of Interest Submission and Selection Process Question and Answer Session	Q3 FY 2018 5/30/2018	Completed		OWM	EPA staff reviewed the Notice of Funding Availability and then shared the answers to commonly asked questions and answered audience questions (72 attendees).
SRF State Financial Training – Region 3	Q3 FY 2018 6/5-6/7/2018	Completed		OWM, OGWDW	SRF State Financial Training. This training, tailored to the needs of the states, covers the financial aspects of the SRF and provides states with ideas/recommendations on how to deal with day to day financial implementation issues, build and maintain perpetuity in their SRFs and, how to avoid risks and possible defaults (38 attendees).



# Key Milestones: Tools, Training and Resources

- **Strategy 2:** This strategy focuses on providing tools, training and resources that promote innovative financing strategies to federal, state and local stakeholders.

Milestone Summary					
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
Webinar: Overview of the WIFIA Program and 2018 Selection Round	Q3 FY 2018 6/4/2018	Completed		OWM	Participants learned about key aspects of the WIFIA program, including eligibility, loan terms and benefits, how to submit a WIFIA letter of interest for 2018, and how EPA will select projects for the 2018 funding round (30 attendees).
SRF State Financial Training – Region 6	Q4 FY 2018 8/14-8/16/2018	Completed	Changed from On Track	OWM, OGWDW	SRF State Financial Training. This training, tailored to the needs of the states, covers the financial aspects of the SRF and provides states with ideas/recommendations on how to deal with day to day financial implementation issues, build and maintain perpetuity in their SRFs and, how to avoid risks and possible defaults.
SRF 101 Training – Region 8	Q4 FY 2018 9/10-9/12/2018	Completed	Changed from On Track	OWM, OGWDW	SRF 101 is tailored to the needs of the states and provides a basic understanding of the SRF, both programmatic and financial. The training covers SRF federal requirements and eligibilities within the CW and DWSRFs.
SRF State Financial Training – Region 9	Q4 FY 2018 9/25-9/27/2018	On Track	Changed from On Track now Q1 FY 2019	OWM, OGWDW	This training, tailored to the needs of the states, covers the financial aspects of the SRF and provides states with ideas/recommendations on how to deal with day to day financial implementation issues, build and maintain perpetuity in their SRFs and, how to avoid risks and possible defaults.
Document: State and Foundation Water Finance Partnerships	Q4 FY 2018	On Track	Changed from On Track now Q2 FY 2019	OWM	The Water Finance Center expects to release the <i>State and Foundation Water Finance Partnerships</i> document to highlight how public (state) and private (foundation) funding can be combined for water projects and initiatives.

# Key Milestones: Tools, Training and Resources

- **Strategy 2:** This strategy focuses on providing tools, training and resources that promote innovative financing strategies to federal, state and local stakeholders.

Milestone Summary					
Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
Environmental Council of the States (ECOS) State Program Analysis	Q4 FY 2018	On Track	Changed from On Track now Q1 FY 2019	OGWDW	The ECOS State Program Analysis will identify opportunities and best practices between the Public Water System Supervision program and the DWSRF, and highlight ways for them to effectively work together to maximize the value of infrastructure and other investments in the delivery of safe drinking water.
Update to Water Finance Clearinghouse	Q4 FY 2018	On Track	Changed from On Track now Q1 FY 2019	OWM	The Water Finance Center expects to release an update to the Water Finance Clearinghouse, which went live in July 2017. This update will include a suite of Water Finance Learning Modules on financial leadership topics including public-private partnerships and WIFIA.
DWSRF Marketing Strategy	Q4 FY 2018	The DWSRF Marketing Strategy has been folded into a larger marketing effort.	Changed from On Track now part of a larger marketing effort	OGWDW	The DWSRF Marketing Strategy will help state DWSRF managers leverage available data (e.g., from the DW Needs Survey, sanitary surveys, the Enforcement Targeting Tool) to target DWSRF assistance in their states to water systems in greatest need.

# Key Milestones: Program Oversight

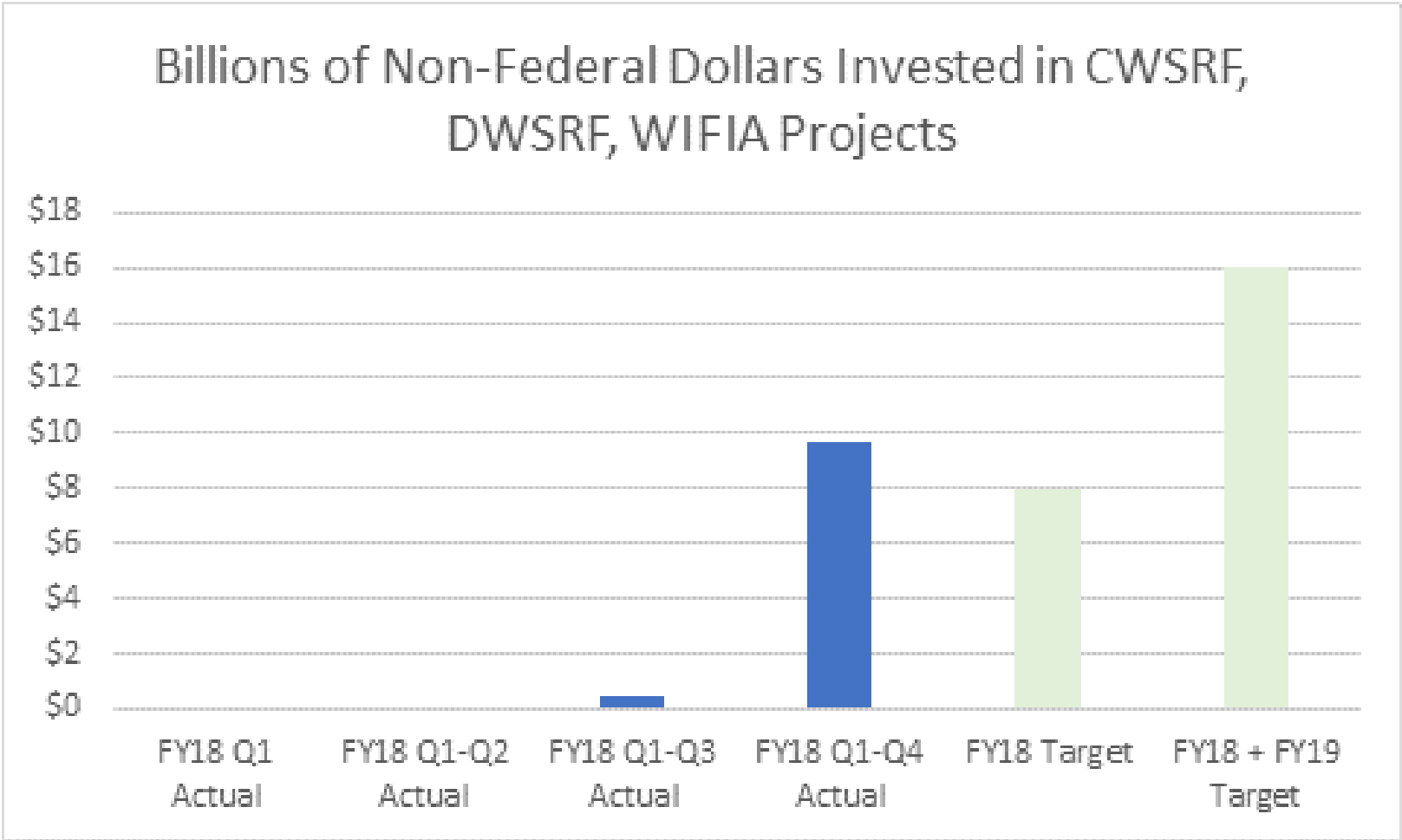
- Strategy 3:** This strategy focuses on how EPA's oversight role of the Clean Water SRF, Drinking Water SRF, and WIFIA financing programs can promote, at the national level, the goal of increasing the leveraging of non-federal dollars.

Milestone Summary

Key Milestone	Milestone Due Date	Milestone Status	Change from last quarter	Owner	Comments
State CWSRF Reviews	Q1 FY 2018	Completed		OWM	Conducted 14 State CWSRF reviews.
State DWSRF reviews	Q1 FY 2018	Completed		OGWDW	Conducted 14 State DWSRF reviews.
State CWSRF Reviews	Q2 FY 2018	Completed		OWM	Conducted 21 State CWSRF reviews.
State DWSRF Reviews	Q2 FY 2018	Completed		OGWDW	Conducted 21 State DWSRF reviews.
WIFIA Notice of Funding Availability	Q3 FY 2018	Completed		OWM	NOFA published 4/12/2018: In the Consolidated Appropriations Act, 2018, Congress provided at least \$55 million in budget authority for the WIFIA program to cover the subsidy required to provide a much larger amount of credit assistance. EPA estimates that this budget authority may provide approximately \$5.5 billion in credit assistance and may finance approximately \$11 billion in water infrastructure investment. The purpose of the NOFA is to solicit letters of interest (LOIs) from prospective borrowers seeking credit assistance from EPA.
Executed WIFIA Loan Agreement	Q3 FY 2018	Completed		OWM	Execute 1 WIFIA loan agreement: In Q3, the WIFIA program executed 2 loan agreements to King County, Washington, and Omaha. Non-federal funds leveraged by these two projects total \$212.5 million.
State CWSRF Reviews	Q3 FY 2018	Partially Complete		OWM	Conduct 16 State CWSRF reviews: 15 of the remaining state reviews were conducted in Q3. The final state review will be conducted in July. Note: The review was conducted in Q4, see Q4 item on State CWSRF Reviews.
State DWSRF Reviews	Q3 FY 2018	Completed		OGWDW	Conduct 16 State DWSRF reviews.
State CWSRF Review	Q4 FY 2018	Completed	Changed from On Track	OWM	Conduct 1 State CWSRF review. This review was originally targeted for Q3. As targeted, a total of 51 state CWSRF reviews were completed in FY 2018.
Executed WIFIA Loan Agreement	Q4 FY 2018	Completed	Changed from On Track	OWM	Executed 2 WIFIA loan agreements. In Q4, the WIFIA program executed 2 loan agreements to Orange County, California and San Francisco, California. Non-federal funds leveraged by these two projects total \$874.7 million.

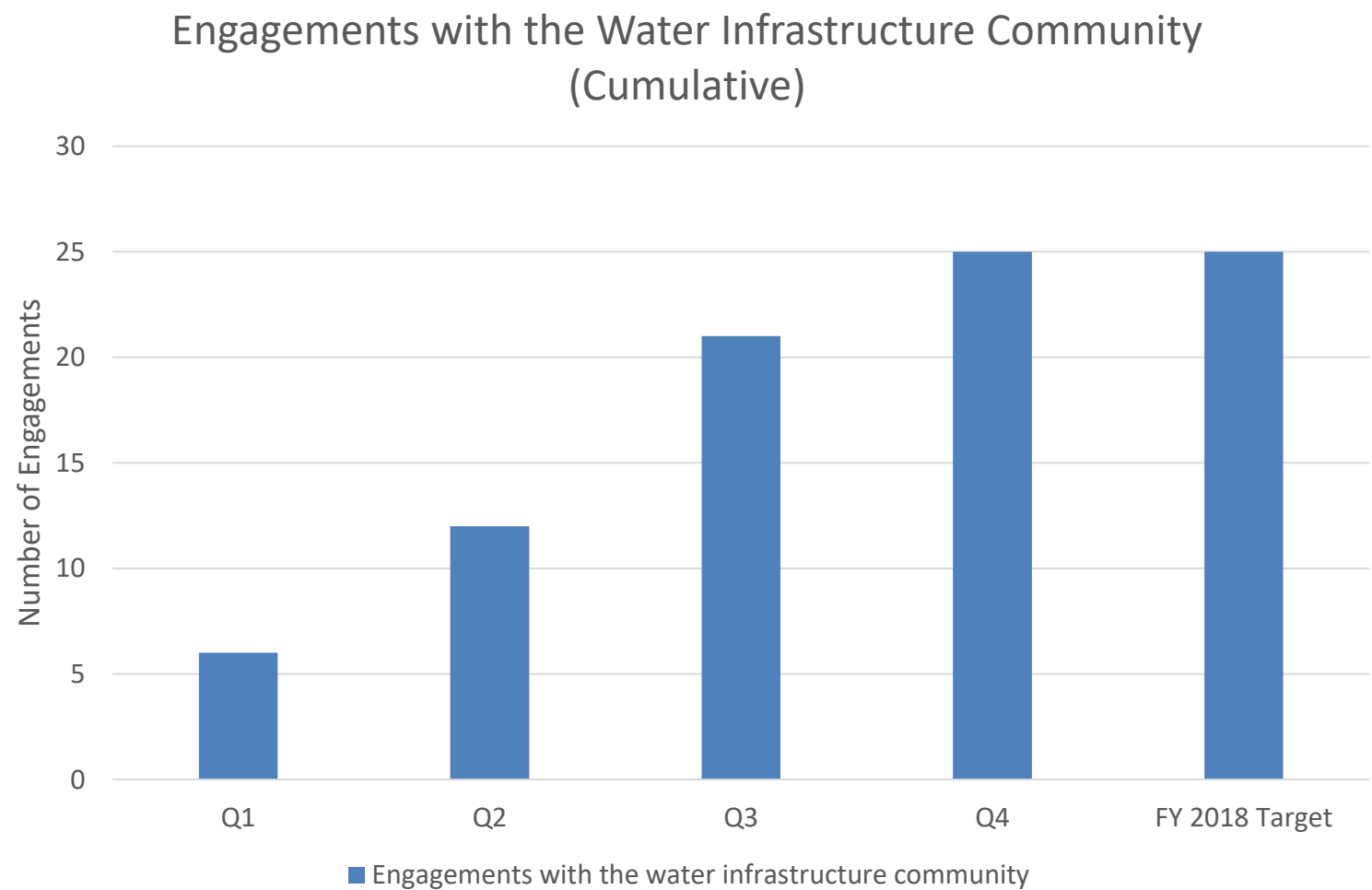
# Key Indicators

## Billions of Non-Federal Dollars Invested



# Key Indicators

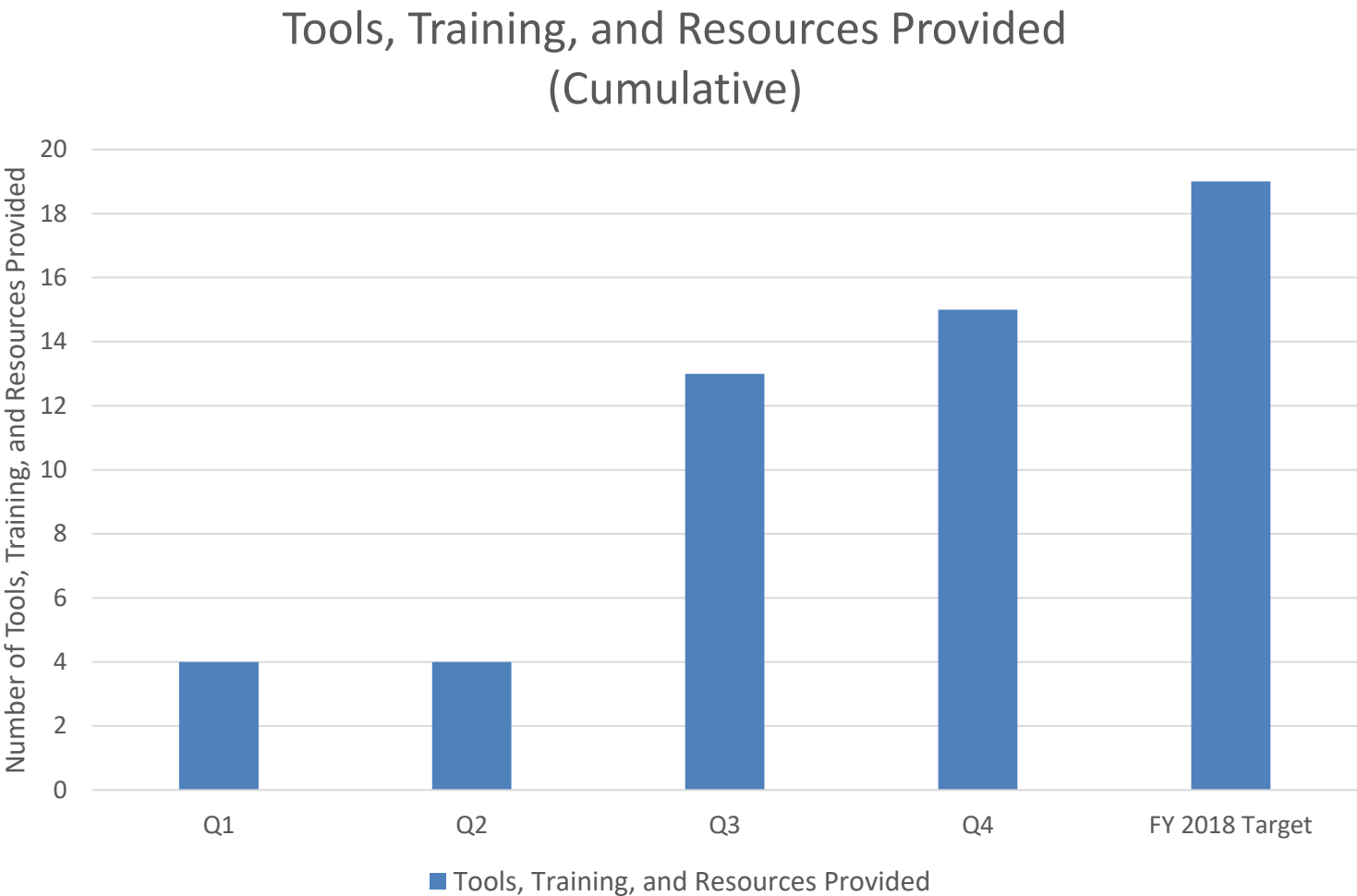
## Strategy 1: Engagement With Water Infrastructure Community



Baseline = 0 Engagements  
FY2018 Target = 25 Engagements

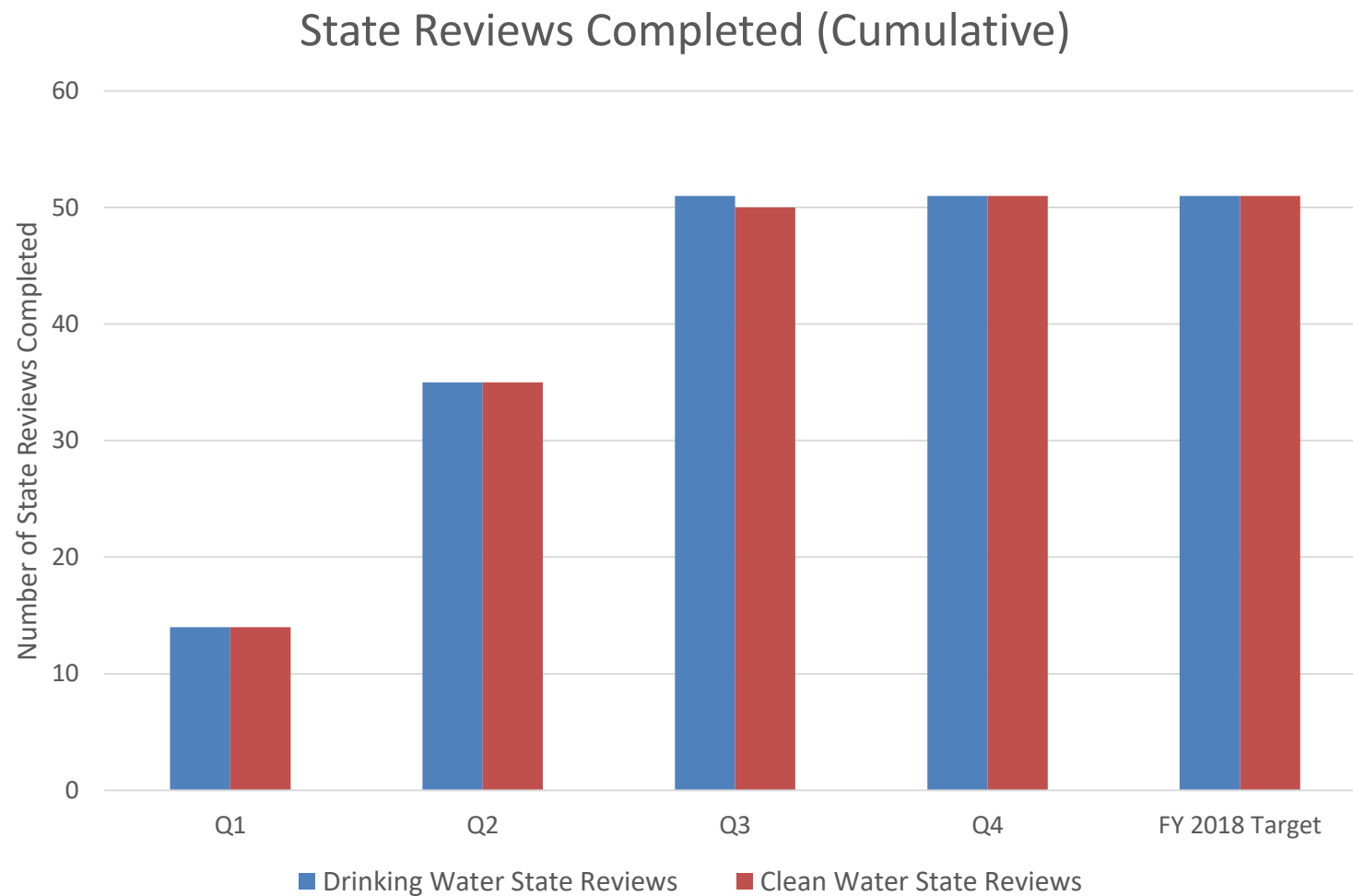
# Key Indicators

## Strategy 2: Tools, Training and Resources



Baseline = 0 Tools, Training, Resources Provided  
FY2018 Target = 19 Tools, Training, Resources Provided

# Key Indicators Strategy 2: Tools, Training and Resources



Baseline = 0 Reviews  
FY2018 Target = 51 Reviews

# Data Accuracy and Reliability

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## **Milestones Reported in this APG Action Plan:**

- Reported and calculated by EPA Headquarters staff.

## **State Revolving Funds (SRFs)**

- The current SRF Information Collection Requests (ICRs) allow EPA to collect the data annually from the states.
- Data are reported by the states and EPA Regions to the Clean Water and Drinking Water National Information Management Systems (NIMS) databases.
- A quality assurance project plan (QAPP) exists for the CW and DW NIMS databases.

## **Water Infrastructure Financing Innovation Act (WIFIA)**

- Data will be reported after loans are executed based on the WIFIA loan agreement.
- The WIFIA program identifies all sources of non-WIFIA funding (including SRF funding) that will be combined with the WIFIA loan to cover the cost of the project or projects. This information will be used to make the appropriate adjustments to the final totals reported at the end of the year to ensure that double counting does not occur.

A Data Quality Record has been developed for the strategic measure associated with this Agency Priority Goal: <https://www.epa.gov/sites/production/files/2018-05/documents/dqr-1-2-infrastructure-leveraging-dollars.pdf>.



# Historical Performance and Target Setting

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## Historical performance

- There has been \$106 billion in non-federal dollars leveraged by the CWSRF and DWSRF programs between FY 1987 and FY 2017. The first WIFIA loans are anticipated in FY2018.

## Target Setting

- EPA set its September 30, 2019, target based on the last five years of total non-federal dollars leveraged:
  - \$32 billion in non-federal dollars leveraged between FY2013 and FY2017
- Over the next five years or FY2018 – FY2022, EPA anticipates leveraging an additional \$40 billion in non-federal dollars, which represents a 25% increase over \$32 billion.
- APG target – by September 30, 2019, increase by \$16 billion the non-federal dollars leveraged by EPA water infrastructure finance programs - represents the average annual amount of \$8 billion leveraged between FY 2018 and FY 2022.

# Contributing Programs

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## **Clean Water State Revolving Fund (CWSRF):**

- The CWSRF was established by the 1987 amendments to the Clean Water Act as a financial assistance program for a wide range of water infrastructure projects.

## **Drinking Water State Revolving Fund (DWSRF):**

- The Safe Drinking Water Act, as amended in 1996, established the DWSRF to make funds available to drinking water systems to finance infrastructure improvements.

## **Water Infrastructure Finance and Innovation Act (WIFIA) Program:**

- The Water Infrastructure Finance and Innovation Act of 2014 (WIFIA) established a federal credit program administered by the U.S. Environmental Protection Agency. The WIFIA program accelerates investment in water and wastewater infrastructure of national and regional significance by offering creditworthy borrowers loans for up to 49 percent of eligible project costs.

## **Water Infrastructure and Resiliency Finance Center:**

- The Center serves as a resource to communities to improve their wastewater, drinking water and stormwater systems, particularly through innovative financing and increased system resiliency.