



## 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: Jennifer McLain, Acting 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, the EPA will increase by \$16 billion the non-federal dollars leveraged by the EPA water infrastructure finance programs (Clean Water State Revolving Fund, Drinking Water State Revolving Fund, 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  - Repairing and modernizing the outdated water infrastructure upon which the American public depends is an Administration priority.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, meaning that 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

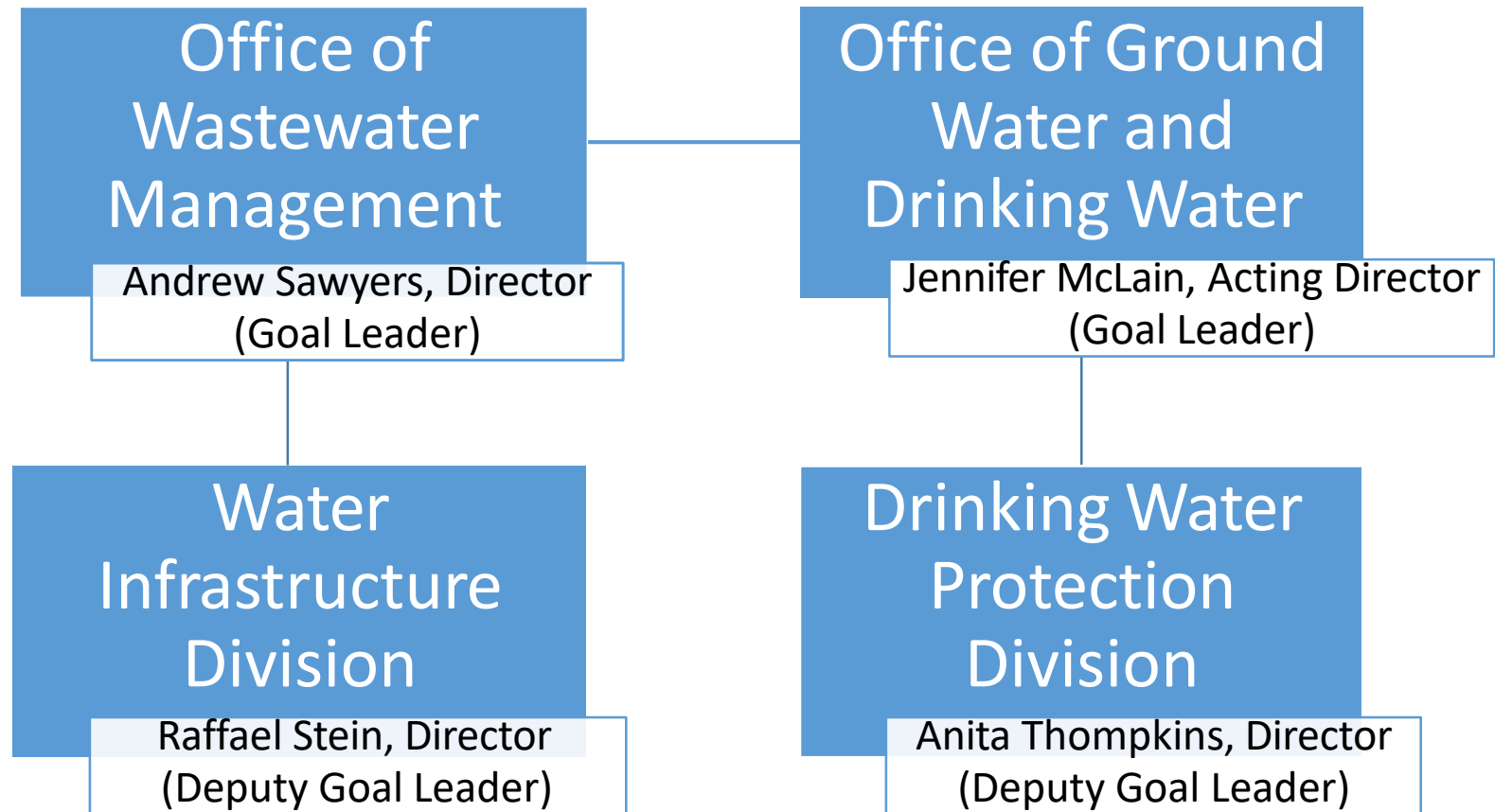
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## Opportunity

- 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, the EPA's three primary water infrastructure programs, Clean Water State Revolving Fund (CWSRF), Drinking Water State Revolving Fund (DWSRF), and Water Infrastructure Finance and Innovation Act (WIFIA) 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. The 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, 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 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, 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 as well as private funding.
  - Engage water finance (utilities and water associations) experts to identify ways to promote the leveraging of non-federal dollars to complement federal SRF and 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 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, localities, 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.

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

- The EPA will use the deployment of the new EPA Lean Management System (ELMS) to achieve the results set forth in the EPA Strategic Plan. As part of ELMS, the EPA will conduct multi-day process improvement events to make significant progress in priority areas identified in the Strategic Plan, including this one.
- Visual management will then be used to ensure that improvements from the events are achieved and sustained over time. Poster boards with regularly updated performance data will serve as visual management for monitoring progress towards meeting the targets in the Strategic Plan, while additional poster boards will track the flow of the work needed to achieve the targets. Managers and staff members will participate in 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 reviews 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 the EPA under President Trump's Executive Order on a Comprehensive Plan for Reorganizing the Executive Branch. The Administrator holds quarterly reviews to monitor overall progress on the agency's Strategic Plan and priority area projects.
- ELMS is designed to make sure that the EPA is regularly monitoring progress towards meeting the targets set forth in the Strategic Plan and taking 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 three 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 three 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:**

- 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 2018, 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 two-day meeting of the State-EPA SRF Workgroup in March 2018. Meeting topics included SRF streamlining and innovative finance approaches. The meeting fosters cross-state communications.

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

- 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:**

- 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 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:**

- 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 four trainings: two State Financial Trainings and two SRF 101 Trainings. These trainings are tailored to the needs of the states and cover core programmatic and financial requirements.

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

- 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 two 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 (NOFA) 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:**

- 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:**

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

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

- 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 two 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.

# Summary of Progress – FY 2019 Q1 & Q2

Through FY 2019 Q2, EPA increased by \$14.8 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:**

- The WIFIA program held three in-person outreach events in FY 2019 Q1 in Seattle, Chicago and Boston, and presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and WIFIA flexibilities.
- The Water Finance Center participated in the Public-Private Partnership (P3) Federal Water Summit in November. The Summit focused on public-private partnership education, financing, system management, operations, and networking for owners, system managers, developers, and industry leaders.
- Due to the partial government shutdown, EPA missed the Strategy 1 its FY 2019 Q2 target by one engagement.

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

- The Water Finance Center released an update to the Water Finance Clearinghouse in FY 2019 Q2. This update included a suite of Water Finance Learning Modules on the following financial leadership topics: SRFs, WIFIA, and financing decentralized systems.
- In FY 2019 Q2, the DWSRF program finalized three eligibility fact sheets that explain how funding can be used to address lead contamination, harmful algal blooms, and per- and polyfluoroalkyl substances (PFAS) contamination. PFAS are a large class of manufactured chemicals that are very effective in several industrial applications, but have also posed risks to human health through drinking water sources around the United States.

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

- The SRFs reported quarterly data for the first time for FY 2019 Q1 - non-federal funds leveraged with a one-month lag.
- The CWSRF program conducted 26 state reviews and the DWSRF program conducted 29 state reviews in FY 2019 Q1 and Q2. The state reviews are an opportunity for the EPA headquarters and the regions to discuss national priorities with the state-run programs, including increasing the non-federal dollars leveraged by the EPA water infrastructure finance programs.
- The WIFIA program executed four loan agreements: three loan agreements in Q1 with San Diego, Saint Louis, and Baltimore and one loan agreement in Q2 with Miami-Dade.

# Key Milestones: Engagement with Water Infrastructure Community 1/5

- 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, Seattle, Washington	Q1 FY 2019 October 11	Completed	None	OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and WIFIA flexibilities.
2018 Council of Infrastructure Financing Authorities (CIFA) SRF National Workshop	Q1 FY 2019 November 5-7	Completed	None	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 2019 November 7-8	Completed	None	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.
WIFIA Outreach, in-person event, Chicago, Illinois	Q1 FY 2019 November 23	Completed	None	OWM	WIFIA staff will present on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and WIFIA flexibilities.
National Water Sector Workforce Convening	Q1 FY 2019 November 24	Completed	None	OWM	Jointly organized by AWWA, AMWA, USEPA, NACWA, WEF, and Water Research Foundation (WRF); the convening will bring together a diverse group of individuals with a common interest in ensuring a sustainable water workforce. A key objective of the convening is to establish a framework for organizing workforce efforts to improve communication and collaboration among water sector partners.
P3 Federal Conference	Q1 FY 2019 November 27-28	Completed	None	OWM	The P3 Water Summit focuses on public-private partnership education, financing, system management, operations, and networking for owners, system managers, developers, and industry leaders.
WIFIA Outreach, in-person event, Boston, Massachusetts	Q1 FY 2019 December 11	Completed	None	OWM	WIFIA staff presented on four key topics: WIFIA program overview, benefits of WIFIA loans, the application process, and WIFIA flexibilities.

# Key Milestones: Engagement with Water Infrastructure Community 2/5

- 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
National Association of Clean Water Agencies (NACWA) Winter Conference	Q2 FY 2019 February 5-8	Completed	None	OWM	Conference theme: Exploring Net Environmental Benefit: Balancing Science and Cost. The conference will examine the intersection of science, policy, and cost and its impact on the clean water community.
California Association of Sanitation Agencies (CASA) Policy Forum, Washington, DC	Q2 FY 2019 February 25-27	Completed	None	OWM	The CASA includes over 100 public agencies in the water quality field and works on advancing wastewater interests, including the recycling of wastewater into usable water, generation of renewable energy, biosolids, and other resources.
Water Environment Federation (WEF) Utility Management Conference 2019	Q2 FY 2019 March 5-8	Completed	None	OWM	Water and wastewater managers and professionals will gather to hear and discuss the latest approaches, practices, processes, techniques, case studies, and research in all aspects of water utility management.
WIFIA In-Person Information Session: Atlanta, Georgia	Q2 FY 2019 February	Rescheduled to Q3 FY 2019	Rescheduled to Q3 FY 2019	OWM	Rescheduled from Q2 to Q3 due to government shutdown. WIFIA staff will be available for 30-minute individual meetings to learn more about specific projects and answer specific questions.
Water Policy Fly-in	Q3 FY 2019 April 3-4	Completed	None	OWM OGWDW	NACWA, WEF, WRF, and WaterReuse co-sponsor this event. OW program directors participate in panel discussions on OW priorities and lead breakout roundtable discussions.
Water and Wastewater Equipment Manufacturers Association (WWEMA) Washington Forum	Q3 FY 2019 April 3-5	Completed	None	OWM	WWEMA's annual legislative, regulatory, and policy meeting directly connects its members to leaders in the industry and the government including Congress, the EPA, and the Department of Commerce. The theme of this year's Forum is Effectively Communicating Change at the National, State, and Local Level.

# Key Milestones: Engagement with Water Infrastructure Community 3/5

- 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
American Water Works Association (AWWA) Water Utility Council Meeting	Q3 FY 2019 April 18	Completed	None	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, the EPA provided updates on several wastewater management and ground water and drinking water priorities.
2019 Council of Infrastructure Financing Authorities (CIFA) Water Infrastructure Investment Summit	Q3 FY 2019 April 24 - 25	Completed	None	OWM OGWDW	Conference topics will include: recent SRF developments, infrastructure financing, budget and appropriations, and tax and environmental policy.
State/EPA SRF Workgroup Meeting	Q3 FY 2019 April 25	Completed	None	OWM OGWDW	Meeting topics will include: SRF streamlining and innovative financing approaches. The meeting fosters cross-state communication.
Environmental Financial Advisory Board (EFAB) Spring Meeting	Q3 FY 2019 April 17 - 18	Completed	None	OWM	The EPA's EFAB holds public meetings to hear from informed speakers on environmental finance issues, proposed legislation, and the EPA priorities.

# Key Milestones: Engagement with Water Infrastructure Community 4/5

- 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
American Water Works Association (AWWA) ACE 19	Q3 FY 2019 June 9 - 12	On Track	None	OWM OGWDW	ACE19 is set to inspire and connect the water sector with innovative solutions and new insights to help solve our global water challenges. This is an opportunity for the WIFIA program to discuss how borrowers can use WIFIA and their specific experiences.
Association of Clean Water Administrators (ACWA) Annual Meeting	Q4 FY 2019 August 27-29	On Track	None	OWM	ACWA is a national, nonpartisan professional organization comprised of the state, interstate, and territorial officials who are responsible for implementing surface water protection programs throughout the nation. It strives to protect and restore watersheds to achieve clean water everywhere for everyone.
One Water Summit	Q4 FY 2019 September	On Track	None	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.

# Key Milestones: Engagement with Water Infrastructure Community 5/5

- 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
National Rural Water Association (NRWA) WaterPro Conference	Q4 FY 2019 September	On Track	None	OWM	WaterPro is the annual conference of the NRWA and is designed to bring together water and wastewater utility systems – large and small, municipal and rural – for sessions in operations, management, boardsmanship, and governance.
Water Environment Federation's Technical Exhibition and Conference (WEFTEC)	Q4 FY 2019 September	On Track	None	OWM	The annual national conference of experts in the water quality field results in a world-class technical program of technical sessions and workshops that addresses a diverse and comprehensive array of contemporary water and wastewater issues and solutions.
Environmental Financial Advisory Board (EFAB) Fall Meeting	Q4 FY 2019 September	On Track	None	OWM	The EPA's EFAB holds public meetings to hear from informed speakers on environmental finance issues, proposed legislation, and the EPA priorities.



# Key Milestones: Tools, Training, and Resources 1/5

- 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 Workshop – Region 9	Q1 FY 2019 October 23- 25	Completed	None	OWM OGWDW	This training, tailored to the needs of the states, covers the financial aspects of the CW and DW 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.
Webinar: WIFIA Program Overview	Q1 FY 2019 November 28	Completed	None	OWM	The WIFIA program hosted a webinar on the key aspects of the WIFIA program, including eligibility requirements, statutory terms and conditions, and federal requirements.
Webinar: WIFIA Application Process	Q1 FY 2019 December 18	Completed	None	OWM	The WIFIA program hosted a webinar on the WIFIA application process, including the Letter of Interest submission, evaluation, and selection.
Webinar: WIFIA Financial Benefits	Q1 FY 2019 December 12	Completed	None	OWM	The WIFIA program hosted a webinar on WIFIA’s financial benefits, including general information about flexibilities and a case study of one of WIFIA’s closed loans.
Webinar: Stormwater Finance Strategies	Q2 FY 2019 January 31	Completed	None	OWM	The Water Finance Center hosted a webinar of ways to fund and finance stormwater nutrient reduction strategies.
Participate in Regional Review of State SRF Program - Hawaii	Q2 FY 2019 February	Completed	None	OWM OGWDW	Participated in Region 9’s review of Hawaii’s SRF program. Working together with the regions, participation in regional SRF state reviews advances the promotion of tools, training, and resources focused on water infrastructure finance innovations at the state and local government levels.
Update to the Water Finance Clearinghouse	Q2 FY 2019 March	Completed	Q1 to Q2	OWM	The Water Finance Center released an update to the Water Finance Clearinghouse on March 26. This update included a suite of Water Finance Learning Modules on the following financial leadership topics: SRFs, WIFIA, and financing decentralized systems.

# Key Milestones: Tools, Training, and Resources 2/5

- 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
Factsheet on DWSRF Eligibility – Lead	Q2 FY 2019 March	Completed	None	OGWDW	This factsheet describes how the DWSRF can be used to fund projects dealing with lead contamination.
Factsheet on DWSRF Eligibility – HABS	Q2 FY 2019 March	Completed	None	OGWDW	This factsheet describes how the DWSRF can be used to fund projects dealing with HABS – harmful algal blooms - contamination.
Factsheet on DWSRF Eligibility – PFAS	Q2 FY 2019 March	Completed	None	OGWDW	This factsheet describes how the DWSRF can be used to fund projects dealing with PFAS contamination. PFAS are a large class of manufactured chemicals that are very effective in several industrial applications, but have also posed risks to human health through drinking water sources around the United States.
Participate in Regional Review of State SRF Program – Alabama	Q2 FY 2019 March	Completed	None	OWM OGWDW	Participated in Region 4’s review of Alabama’s SRF program. Working together with the regions, participation in regional SRF state reviews advances the promotion of tools, training, and resources focused on water infrastructure finance innovations at the state and local government levels.
Participate in Regional Review of State SRF Program – Delaware	Q2 FY 2019 March	Completed	None	OWM OGWDW	Participated in Region 3’s review of Delaware’s SRF program. Working together with the regions, participation in regional SRF state reviews advances the promotion of tools, training, and resources focused on water infrastructure finance innovations at the state and local government levels.
Environmental Council of the States (ECOS) State Program Analysis	Q3 FY 2019	On Track	Q1 to Q3	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.
Document: Managing Your Pipeline of Projects	Q3 FY 2019	On Track	None	OGWDW	This document will discuss ways SRFs can manage their pipeline of projects to potentially increase the volume of projects funded over time.

# Key Milestones: Tools, Training, and Resources 3/5

- 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: Cash Flow Management	Q3 FY 2019	On Track	None	OGWDW	This document will discuss ways SRFs can manage their cash flows to potentially increase the volume of projects funded over time.
SRF State Financial Training Workshop (5)	Q4 FY 2019	On Track	None	OWM OGWDW	Conduct five additional training workshops in FY 2019. This training, tailored to the needs of the states, covers the financial aspects of the CW and DW 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 (2) Workshops	Q4 FY 2019	On Track	None	OWM OGWDW	Conduct two training workshops in FY 2019. SRF 101, tailored to the needs of the states, provides a basic understanding of the SRF, both programmatic and financial. The training covers SRF federal requirements and eligibilities within the CW and DW SRFs.
Participate in Regional Reviews of State SRF Programs	Q4 FY 2019	On Track	None	OWM OGWDW	Participate in Regional reviews of state SRF state programs. Working together with the regions, participation in regional SRF state reviews advances the promotion of tools, training, and resources focused on water infrastructure finance innovations at the state and local government levels.
Revise the SRF Audit Guide	Q4 FY 2019	On Track	None	OWM OGWDW	The EPA uses the guide to ensure that the federal interest in the fund is protected. The guide provides guidance to the EPA OIG auditors, state auditors, and Independent Certified Public Accountants when performing annual financial audits of state SRFs required by the Clean Water Act. The EPA uses the audited financial statements to determine if the program is operating as intended; to gather information necessary to report to Congress; and to provide assurances that the financial statements are fairly presented in accordance with OMB requirements.

# Key Milestones: Tools, Training, and Resources 4/5

- 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
Revise the SRF Cross-Cutter Handbook	Q4 FY 2019	On Track	None	OWM OGWDW	The EPA uses the handbook to ensure that the federal interest in the CW and DW funds is protected. The handbook describes how cross-cutting federal authorities (i.e., requirements of other federal laws and Executive Orders that apply in federal financial assistance programs) apply to projects and activities receiving SRF financial assistance.
Factsheets on Different CWSRF Eligibilities (4)	Q4 FY 2019	On Track	None	OWM	Develop four factsheets on different CWSRF project eligibilities. The factsheets will describe how the flexibilities of the CWSRF enable states to finance a wide range of project types.
Nonpoint Source Best Practices Guide	Q4 FY 2019	On Track	None	OWM	The guide will describe how the CWSRF can be used to fund nonpoint source runoff management projects and will provide state success stories as a model for other states.
Decentralized Systems Best Practices Guide	Q4 FY 2019	On Track	None	OWM	The guide will describe how the CWSRF can be used to fund decentralized and small onsite wastewater management projects and will provide state success stories as a model for other states.

# Key Milestones: Tools, Training, and Resources 5/5

- 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: Funding Land Conservation	Q4 FY 2019	On Track	None	OWM	This webinar will discuss how the CWSRF can be used to fund land conservation projects and allow states throughout the country to share their experiences.
Webinar: SRF 101 for State Nonpoint Source Staff	Q4 FY 2019	On Track	None	OWM	This webinar will promote cross-program coordination between the CWSRF and nonpoint source program and pursuit of joint funding opportunities.
Webinar: SRF 101 for National Estuary Protection Directors	Q4 FY 2019	On Track	None	OWM	This webinar will promote cross-program coordination between the CWSRF and the estuary protection program and pursuit of joint funding opportunities.
Webinar: SRF Program Finance	Q4 FY 2019	On Track	None	OWM, OGWDW	This webinar will cover financial aspects of the CW and DW SRFs and provide participants with ideas/recommendations on how to deal with day-to-day financial implementation issues, build and maintain perpetuity in their SRFs, innovative financing, and increasing the non-federal dollars leveraged by the SRFs.
Update to the Water Finance Clearinghouse	Q4 FY 2019	On Track	None	OWM	The Water Finance Center will update the Water Finance Clearinghouse when it completes new learning modules that focus on stormwater financing, water loss financing, and agriculture municipal partnerships.
Document: State and Foundation Water Finance Partnerships	Q4 FY 2019	On Track	Q2 to Q4	OWM	The Water Finance Center expects to release the State and Foundation Water Finance Partnerships document to highlight how public (state) and private (foundation) funding can be combined for water projects and initiatives.
Reviews of Regional DWSRF Programs (6)	Q4 FY 2019	On Track	None	OGWDW	Conduct reviews of six regional DWSRF programs. The regional reviews are an opportunity for the EPA headquarters to discuss national priorities, including supporting states to increase the non-federal dollars leveraged by the EPA water infrastructure finance programs.

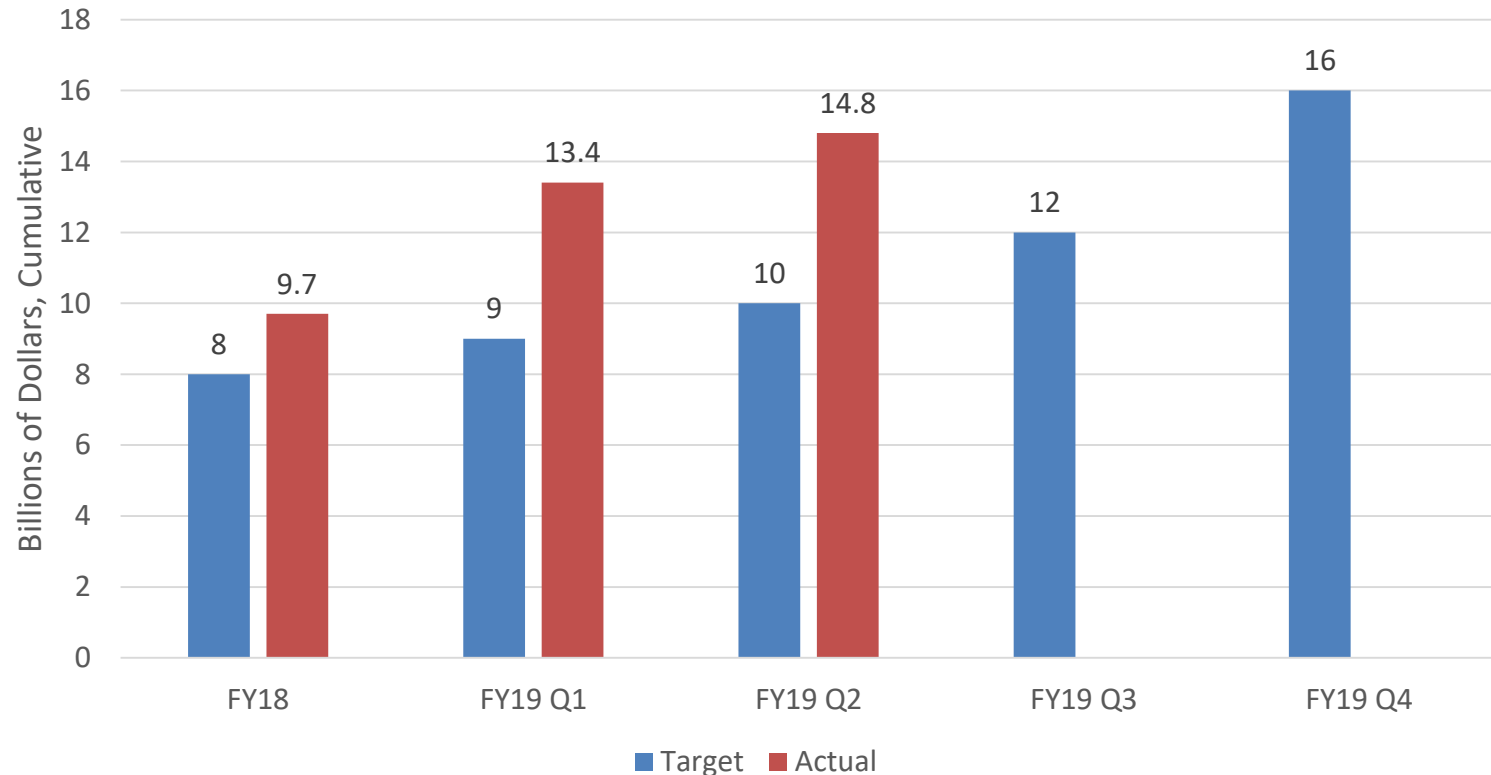
# Key Milestones: Program Oversight

- This strategy focuses on how the 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 2019	Completed	None	OWM	Conducted nine state CWSRF reviews in FY 2019 Q1.
State DWSRF reviews	Q1 FY 2019	Completed	None	OGWDW	Conducted nine state DWSRF reviews in FY 2019 Q1.
Executed WIFIA Loan Agreement	Q1 FY 2019	Completed	None	OWM	Execute WIFIA loan agreements: In FY 2019 Q1, the WIFIA program executed three loan agreements with San Diego, Saint Louis, and Baltimore. Non-federal funds leveraged by these three projects total \$1.6 billion in FY 2019 Q1 and Q2.
State CWSRF Reviews	Q2 FY 2019	Completed	None	OWM	Conducted 17 state CWSRF reviews in FY 2019 Q2.
State DWSRF reviews	Q2 FY 2019	Completed	None	OGWDW	Conducted 20 state DWSRF reviews in FY 2019 Q2.
Executed WIFIA Loan Agreement	Q2 FY 2019	Completed	None	OWM	Execute one WIFIA loan agreement: In FY 2019 Q2, the WIFIA program executed one loan agreement with Miami-Dade. Non-federal funds leveraged by this project total \$81.8 million.
WIFIA Notice of Funding Availability	Q2 FY 2019	Completed	None	OWM	NOFA issued March 29, 2019.
State CWSRF Reviews	Q3 FY 2019	On Track	None	OWM	Conduct 18 state CWSRF reviews in FY 2019 Q3.
State CWSRF Reviews	Q4 FY 2019	On Track	None	OWM	Conduct seven state CWSRF reviews in FY 2019 Q4.
State DWSRF reviews	Q4 FY 2019	On Track	None	OGWDW	Conduct 22 state DWSRF reviews in by September 30, 2019.

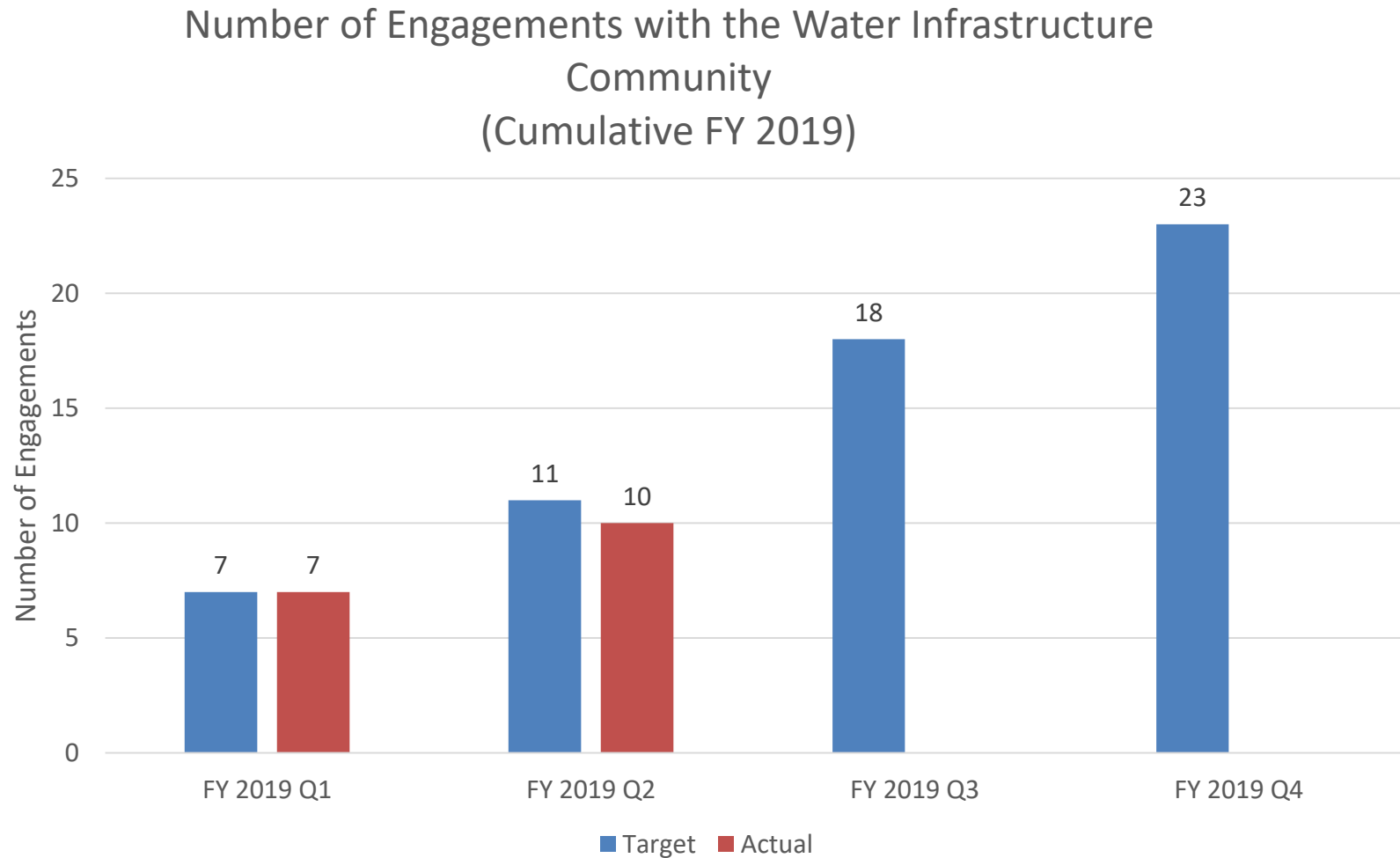
# Key Indicators: APG: Empower Communities to Leverage EPA Water Infrastructure Investments

## Billions of Non-Federal Dollars Leveraged by the EPA Water Infrastructure Finance Programs (CWSRF, DWSRF, and WIFIA) (Cumulative, FY 2018-2019)



FY 2018 + FY 2019 Target = \$16 Billion

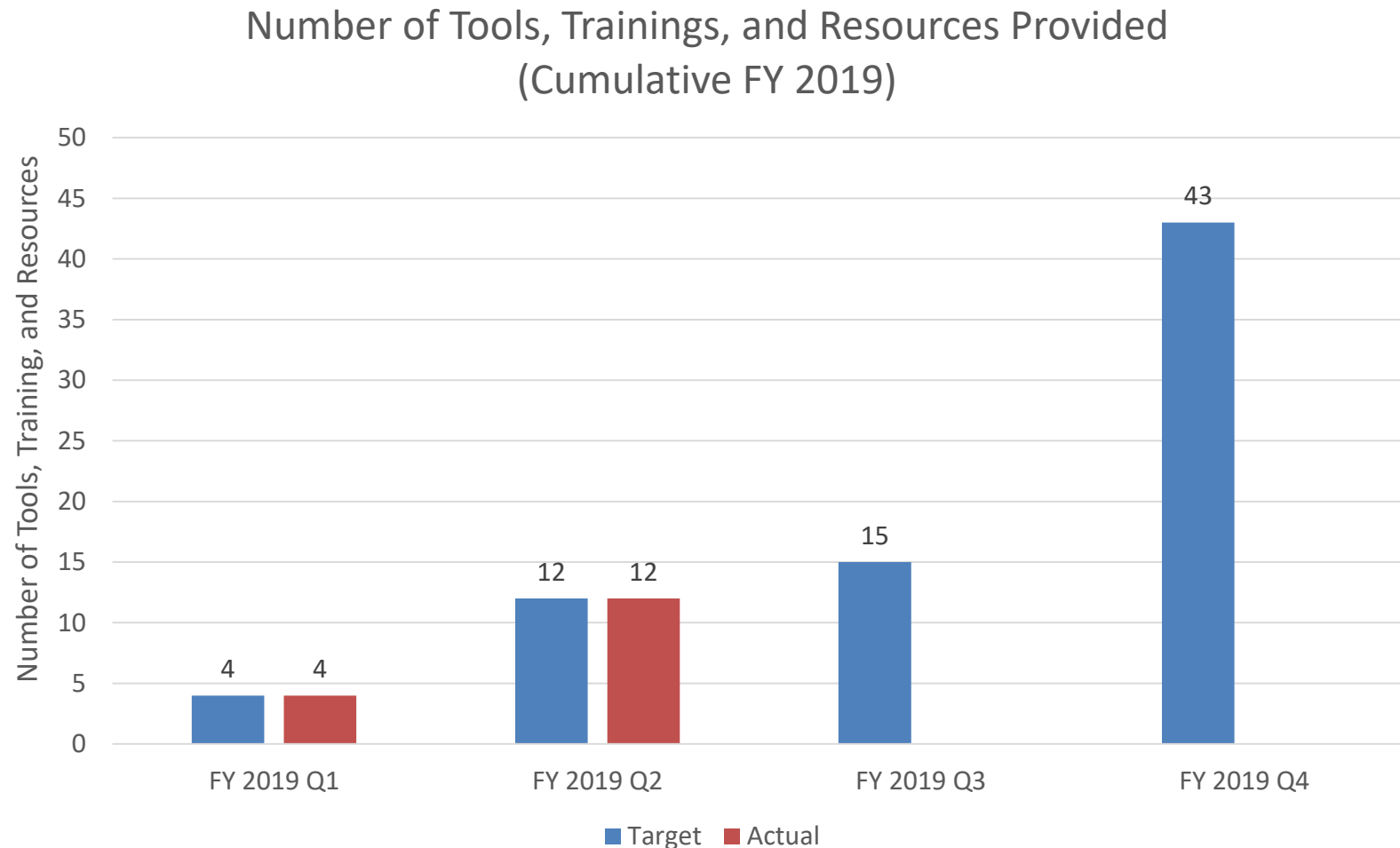
# Key Indicators: Strategy 1: Engagement With Water Infrastructure Community



Baseline = 0 Engagements  
FY 2019 Target = 23 Engagements

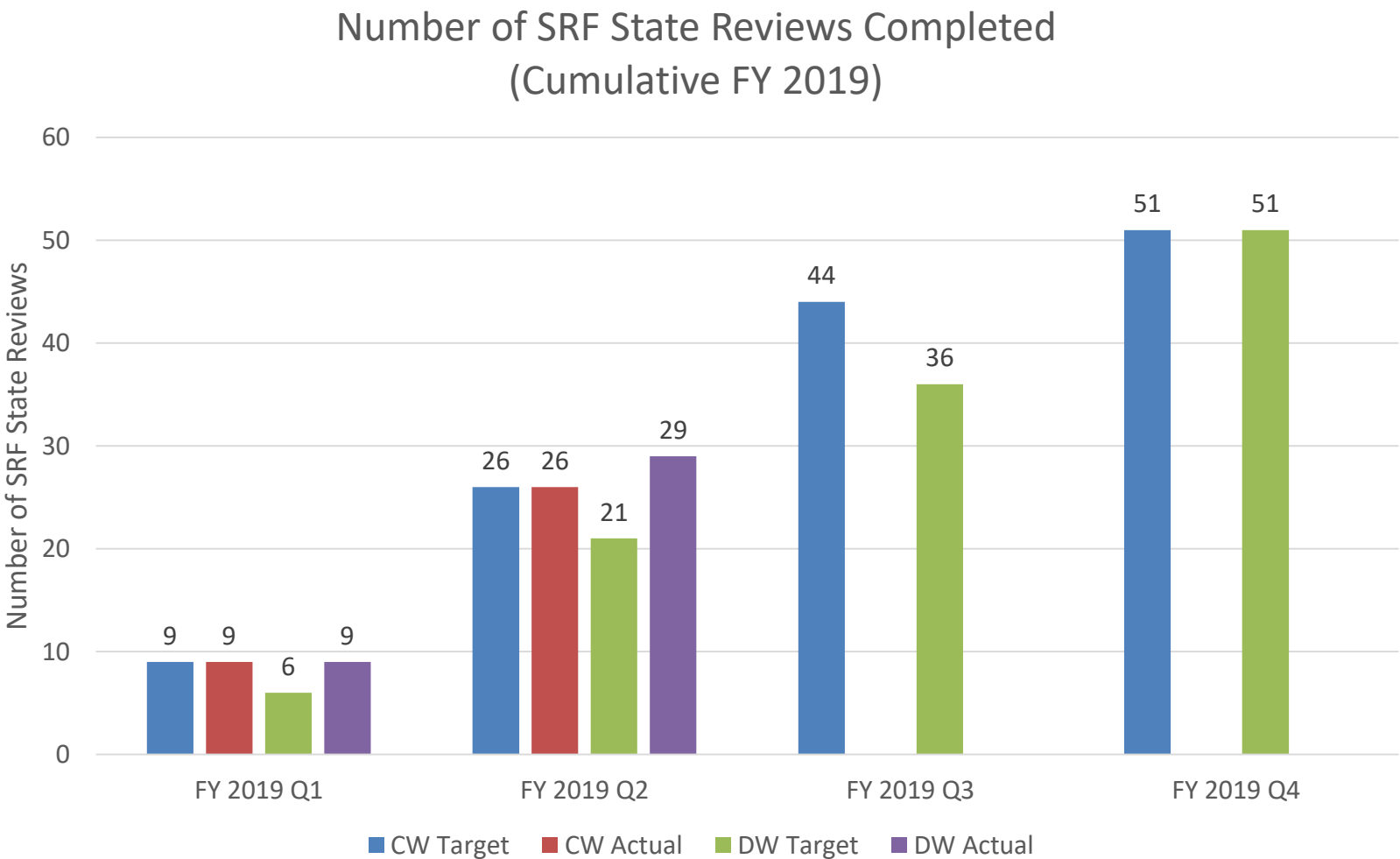


# Key Indicators: Strategy 2: Tools, Training, and Resources



Baseline = 0 Tools, Trainings, and Resources Provided  
FY 2019 Target = 43 Tools, Trainings, and Resources Provided

# Key Indicators: Strategy 3: Program Oversight



Baseline = 0 Reviews  
FY 2019 Target = 51 CWSRF Reviews  
FY 2019 Target = 51 DWSRF Reviews

# Data Accuracy and Reliability

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

- Reported and calculated by the EPA headquarters staff.

## **SRFs**

- The current SRF Information Collection Requests (ICRs) allow the EPA to collect data quarterly from the states, though certain financial data can only be collected annually.
- Data are reported by the states and the EPA regions to the Clean Water and Drinking Water National Information Management Systems (NIMS) databases. Project level data are also reported to the CWSRF Benefits Reporting System (CBR) and DWSRF Project Reporting System (DPR).
- A quality assurance project plan (QAPP) exists for the CW and DW NIMS databases and the CBR and DPR databases.

## **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.
- The EPA has established a process to ensure that there is no double counting of non-federal funds across the WIFIA program and SRF programs.

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

- The CWSRF, DWSRF, and WIFIA programs leveraged \$115.7 billion in non-federal dollars between FY 1987 and FY 2018. The first WIFIA loans were executed in FY 2018.

## Target Setting

- The EPA set its September 30, 2019, target based on the previous five years of total non-federal dollars leveraged:
  - \$32 billion in non-federal dollars leveraged between FY 2013 and FY 2017
- Over the subsequent five years or FY 2018 – FY 2022, the EPA anticipates leveraging an additional \$40 billion in non-federal dollars, which represents a 25 percent increase over \$32 billion.
- APG target – by September 30, 2019, increase by \$16 billion the non-federal dollars leveraged by the 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.