

Stormwater, Asset Management, Wastewater (SAW)

October 2013

SAW Overview

- \$450 million – Proposal 2 (Great Lakes Water Quality Bond) passed Nov 2002
- January 2, 2013
- SAW Workgroup Committee
- \$97 million available FY14 (grants and loans)
 - \$30 million max for loans, \$10 million per applicant for FY14
- First come, first served

Grant and Loan Program

Grant

- Planning and Design of wastewater and stormwater projects
- Development of stormwater management plans (MS4, NPS, SAW)
- Development of wastewater and stormwater asset management plans
- Testing and Demonstration of Innovative Technology

Loan

- Construction of projects identified in approved stormwater management plan
- Construction of projects identified in approvable asset management plan
- Construction of projects of proven Innovative Technology

Who can apply? MUNICIPALITIES

“A city, village, county, township, authority, or other public body, including an intermunicipal agency of 2 or more municipalities, authorized or created under state law; or an Indian tribe that has jurisdiction over construction and operation of sewage treatment works or other projects qualifying under section 319 of title III of the federal water pollution control act, 33 USC 1329.”

Public bodies (other than cities, villages, counties, and townships) and Authorities applying for SAW grants or loans must indicate the relevant authorizing statute in the application.

Grant

- \$2 million cap
- 90% grant/10% local match for 1st million, 75% grant/25% local match for 2nd million (can't use SRF or SAW for match)
- 100% grant to disadvantaged communities, municipalities in receivership, municipalities operating under an emergency manager, municipalities operating under a financial consent agreement

Applications

- Accepted on or after December 2, 2013
- No prior review, but questions answered
- 120 day DEQ review period
- Disbursements not processed before April 2014
- Grant and Loans issued on quarterly schedule
- Applicant prepared
- Review procedure

Grant Application Format

- Project Information
- Authorizing Resolution
- Sample Grant Agreement

Appendices

- Appendix A: Wastewater Planning and/or Design (including User Charge System)
- Appendix B: Planning and/or Design of Stormwater and/or Nonpoint Source of Water Pollution
- Appendix C: Asset Management Plan for Stormwater and Wastewater (requires certification)
- Appendix D: Stormwater Management Plan
- Appendix E: SAW Innovative Wastewater and Stormwater Technology (requires certification)
- Appendix F: Disadvantaged Community Status Determination Worksheet

Grant Application

D - Disclosure of Conditions Requiring Repayment of Grant

F - Ownership of System Facilities or Assets (If the applicant does not own the system facilities or assets described in the proposed scope of work, certification of this legal relationship must be provided prior to the applicant receiving SAW grant assistance. The applicant must have the authority to establish a rate structure necessary to demonstrate significant progress with implementing a wastewater asset management plan if applicable.)

J. Is the applicant in receivership? YES NO

Is the applicant operating under an emergency manager or an emergency financial manager appointed under state law? YES NO

Is the applicant operating under a consent agreement as provided under the local government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to 141.1291?
 YES NO

If a disadvantaged community status determination is being requested, then complete and submit the worksheet in Appendix F. Communities considered disadvantaged by the DEQ can be awarded up to \$500,000 in grant funds to construct projects identified in an asset management plan.

K. Project Cost Worksheet

Read the instructions below before completing the Project Cost Worksheet.

Grant Budget Item	Incurred Project Costs A	Estimated Project Costs B	Cost Supporting Documents Attached?	Total Project Costs A+B
1. Project Planning Costs			<input type="radio"/> YES	
2. Design Engineering Costs			<input type="radio"/> YES	
3. User Charge System Development Costs			<input type="radio"/> YES	
4. Wastewater Asset Management Plan Costs			<input type="radio"/> YES	
5. Stormwater Asset Management Plan Costs			<input type="radio"/> YES	
6. Stormwater Management Plan Costs			<input type="radio"/> YES	
7. Innovative Wastewater and Stormwater Technology Costs			<input type="radio"/> YES	
8. Disadvantaged Community Construction Cost			<input type="radio"/> YES	
9. Cost Subtotal				
10. LESS Local Match				
11. Requested SAW Grant Amount (Line 9 minus Line 10)				

Contracts for services with costs greater than \$50,000.

An executed copy of each contract, with a clear identification of the scope of the service(s) and a contract period, must be submitted prior to reimbursements of costs.

Eligible

- Force account work. Fringes limited to 40 percent of salary - no overtime or indirect costs. (timesheet/payroll records showing hours worked or anticipated billable force account hours, scope of work, employee hourly wage rates (fringes split out), and title/classifications)
- MACP/PACP training for municipal staff
- Costs for work performed on or after Jan. 2, 2013

Ineligible

- Local government administrative activities or activities unrelated to project
- Funding for growth

Planning and Design

Appendix A – Wastewater Planning and Design Activities

Appendix B - Stormwater and/or Nonpoint Source Planning and Design Activities

Planning Grant Requirements

- RD – Preliminary Engineering Report and Environmental Report
- SAW or other – Project Proposal
- SRF/SWQIF – Project Plan

Design Grant Requirements

To be submitted with application:

- RD – Preliminary Engineering Report and Environmental Report
- SAW or other – Project Proposal
- SRF/SWQIF – Project Plan

Required to develop and submit plans and specs

**User Charge Development
costs can be included in either
a planning or design grant**

SAW Project Proposal

Minimum Requirements

1. Study Area Identification and Description
 - a. Cover the geographic area served by or affected by the proposed project
 - b. Population Data – include if relevant
 - c. Environmental Setting
 - d. Do NOT include land use and economic characteristics, unless relevant to the project.
2. Existing Facilities
3. Project Need
4. Description of Project Options Considered
5. Proposed Project
6. Evaluation of Environmental Impacts

Requirements

- Must address a water quality problem
- Must start construction of the project within 3 years of grant award

Innovative Technology

Appendix E - SAW Innovative Wastewater and Stormwater Technology

Innovative Technology

Must meet one or more of the following:

- The technology has not been previously used in Michigan or the region, if influenced by climate
- The technology has not been previously used in the United States, if independent of climate influences
- The technology is an application of an existing technology applied to a different media (e.g. a water supply treatment technology applied to the wastewater field)
- The technology is an application of an existing technology applied to a different pollutant (e.g. previously used to address pollutant 'X', proposed to address pollutant 'Y')

Innovative Technology

- Businesses not eligible, only municipalities
- Must address an existing problem or need (water quality issue, lower costs, less energy, green innovative)
- Must demonstrate whether project is feasible within 3 years of grant award
- If the demonstration results in a project that is not technically or financially feasible, no further commitment required. If have feasible project, must implement and construct project.
- Certification – available on website

SAW Loan

Asset Management Plan

Stormwater Management Plan

Innovative Technology

Loan Application

- Part A – Financial information and project costs and project proposal and resolution – estimated loan amount set aside
- Part B – Contract documents, resolution to tentatively award, estimated disbursement schedule

FY14 Financing Schedule

Part A of Loan Application, Project Proposal, Resolution				
Notification of Application Approval				
Fact Sheets Published No Later Than				
Plans and Specs approved (if applicable)				
Part B of Loan Application, Bid Data (With Tentative Contract Award)				
DEQ Order of Approval Issued*	11/22/2013	03/11/2014	06/03/2014	08/26/2014
Borrower's Pre-Closing with the MFA	12/03/2013	03/28/2014	06/13/2014	09/05/2014
MFA CLOSING	12/12/2013	04/09/2014	06/25/2014	09/17/2014
Notice to Proceed Issued No Later Than	02/10/2014	06/08/2014	08/24/2014	11/16/2014

Milestone Dates

- Draft plans & specifications due within 6 months of loan approval date
- Notice to Proceed due within 1 year of loan approval date

Loan

- No Davis-Bacon
- No public participation requirements
- Project Proposal vs. Project Plan
- Fact Sheet vs. Environmental Assessment
- Costs for construction not retroactive (need Fact Sheet issued, final plans and specs, construction permit issued)
- Interest Rate – 2.5% for FY2014

Website

www.michigan.gov/cleanwaterrevolvingfund

SAW Program Highlights

- Loan Application
- FAQ
- Laws & Regulations
- SAW Committee Minutes

Revolving Loan Section 517-284-5433

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Environmental Quality
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