

From: Pringer, Sara

Sent: Wednesday, June 29, 2022 1:54 PM

To: 'BABA-OW@epa.gov' <BABA-OW@epa.gov>

Subject: Public comment - BABA Public Interest Waiver for EPA State Revolving Fund Programs

The Missouri Department of Natural Resources (Department) appreciates EPA's effort in developing an adjustment period waiver for the State Revolving Fund (SRF) Program projects. The Department agrees with many of the points EPA uses as justification for such a waiver. However, the Department disagrees with EPA's proposal that the waiver apply only to SRF-funded projects that have submitted engineering plans and specifications prior to May 14, 2022.

There are hundreds of Clean Water State Revolving Fund and Drinking Water State Revolving Fund projects that had completed or were near completion of the project design planning stage prior to May 14, 2022, that would now have to spend additional time and resources to reevaluate and possibly alter recommended alternatives to incorporate Build American Buy America (BAB) requirements. Some of the key steps that communities had already completed or initiated prior to May 14, 2022, include:

- Passed bonds or secured other funding backing,
- Developed user rate changes with public participation,
- Environmental reviews,
- Finalized project scope and initiated preliminary design,
- Purchased land for proposed projects, and/or
- Developed cost estimates using the products available at that time.

Having to change any of these steps could cause delays, reduction in scopes of projects, additional costs for reevaluating alternatives, and additional burdens to communities.

In the proposed waiver, it mentions how EPA has been successful with the implementation of American Iron and Steel provisions in its SRF and WIFIA programs. This is true and these provisions have been consistent between both programs. Both programs can fund large complex projects and sometimes together. Consistency between SRF and WIFIA is an added benefit when co-funding projects. However, when developing the adjustment period waivers for both programs, EPA elected to drastically change what stage projects were at for the SRF funded project waiver for being submitted engineering plans and specifications and WIFIA being initiated project design planning both prior to May 14, 2022. Having consistency between the programs should be a priority as communities should be considering which funding source is best for their project and not which has less stringent requirements. Even though these waivers are for projects that are already in the works it sets a precedence that one program will have less stringent implementation requirements than the other. This limits competitiveness between the programs. It is interesting that EPA has both programs make large efforts to encourage competitiveness in projects procuring engineers as well as bidding projects, yet it does not hold the same effort in encouraging equal competition between its funding programs.

The Department feels that the WIFIA waiver's approach is correct and the same should be applied to the SRF program projects. This will allow communities to continue current projects with minimal interruption, while giving future projects adequate time to incorporate these new requirements into their planning decisions.

Sincerely,

Sara Pringer
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We'd like your feedback on the service you received from the Missouri Department of Natural Resources. Please consider taking a few minutes to complete the department's Customer Satisfaction Survey at <https://www.surveymonkey.com/r/MoDNRsurvey>. Thank you.

