

Drinking Water State Revolving Fund (DWSRF)



Funding PFAS/Emerging Contaminants Projects



INVESTING IN IOWA'S WATER
www.iowasrf.com

Funding Source

Bipartisan Infrastructure Law (BIL) signed Nov. 15, 2021
aka Infrastructure Investment and Jobs Act (IIJA)



Funding Facts

Basic Eligibility:

- Only PFAS and contaminants listed on EPA's CCL 1-5 qualify ✨
- 25% of funds to DAC or PWS serving fewer than 25,000 persons

Other requirements:

- 100% of DWSRF PFAS/EC funding must be issued as additional subsidy
- All funding is considered federal so equivalency requirements apply to all recipients ✨



Challenge!

Identifying Potential Borrowers






Other PFAS information

- A DNR internal steering committee (air-land-water) has developed a PFAS action plan
- <https://www.iowadnr.gov/Environmental-Protection/PFAS>

 [PFAS Action Plan](#) 

Additional Resources

- Interstate Technology and remediation Council (ITRC)
Per- and Polyfluoroalkyl Substances Fact Sheets
-  ▪ Iowa DNR Drinking Water Health Advisories
 - EPA's PFAS website
 - EPA's PFAS Drinking Water Treatment website
 - EPA's PFAS Action Plan website
-  ▪ EPA's PFOS/PFOA Fact Sheet 
 - EPA's Drinking Water Health Advisories for PFOS and PFOA website
 - EPA's UCMR3 PFOS and PFOA data website
 - EPA's stewardship program for PFAS related to Toxic Substances Control Act (TSCA) website
 - EPA's research activities on PFASs
 - Agency for Toxic Substances and Disease Registry's (ATSDR) Perfluorinated Chemicals and Your Health webpage
 - Association of State Drinking Water Administrators PFAS website

<https://www.iowadnr.gov/Environmental-Protection/PFAS>

Drinking Water PFAS Sampling Documents

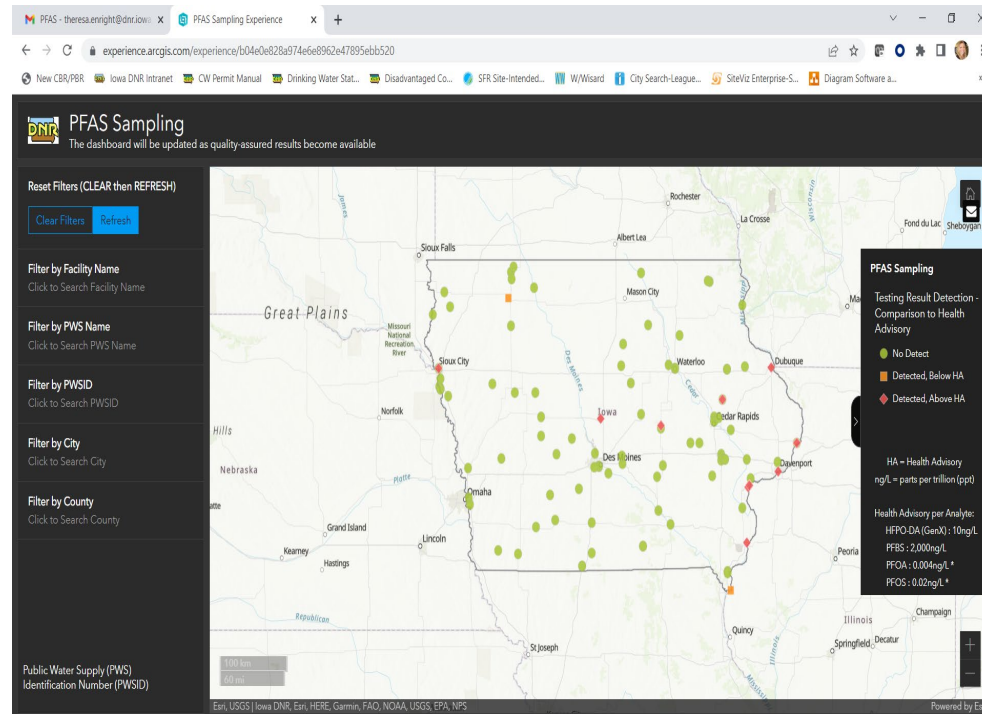
- Iowa Strategy for Sampling Public Drinking Water Facilities [PDF](#)
- Iowa Public Drinking Water Sampling Plan and SOP [PDF](#)
- Iowa Water Supply PFAS Protocol [PDF](#)
- Iowa Contaminated Sites PFAS Protocol [PDF](#)
- PFAS and Private Wells [PDF](#)

Comments on any of these documents can be sent to PFAS@dnr.iowa.gov.

Iowa Department of Natural Resources, Iowa's PFAS Fact Sheet [PDF](#)



Iowa DNR PFAS Sampling Interactive Dashboard and Map



PFAS questions and comments can be sent
to:

PFAS@dnr.iowa.gov

Planning Process

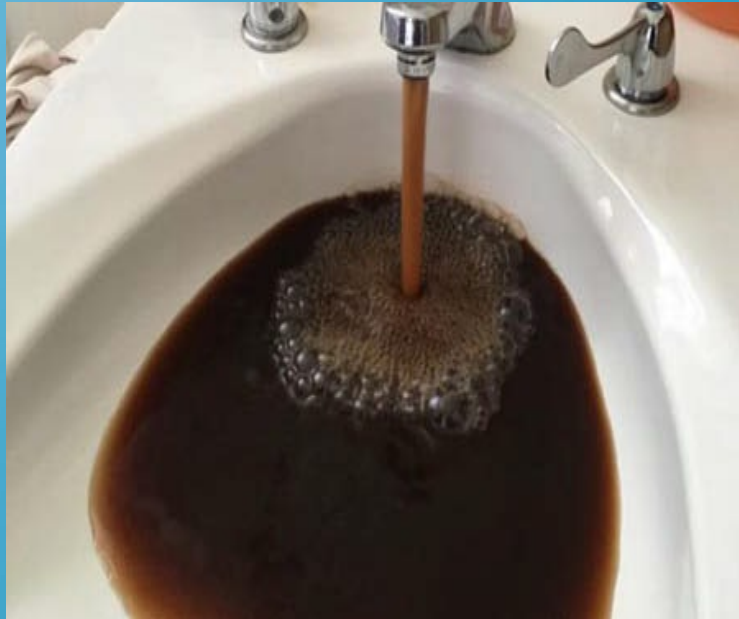
- Establish project priorities
- Incorporate Disadvantaged Community (DAC) preference
- Establish a loan forgiveness formula

PFAS/Emerging Contaminants		
FFY	DW Allocation	CW Allocation
2022	\$11,969,000.00	Obligated to CW Project
2023	\$11,487,000.00	Obligated to CW Project
2024	\$11,487,000.00	\$2,878,000.00
2025	\$11,487,000.00	\$2,878,000.00
2026	\$11,487,000.00	\$2,878,000.00
Total	\$57,917,000.00	\$8,634,000.00

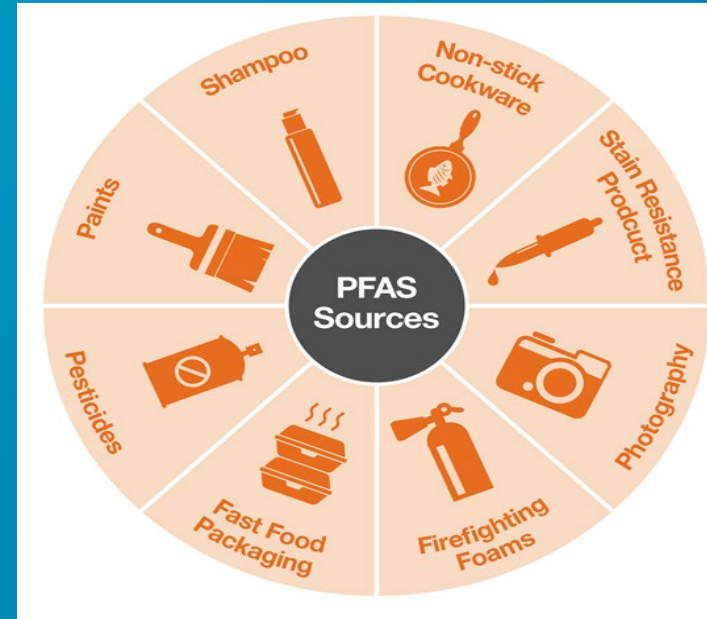


Iowa's Priorities

Manganese in raw and finished water



PFAS in raw and finished water



Priority Projects

Priority project ranking and associated loan forgiveness percentages categorized by: **Detection levels of PFAS in raw water and finished water**

Emerging Contaminant	Detection Level (ppt) ¹	Loan Forgiveness %	
		Finish Water	Raw Water
PFAS	PFOA \geq 4.0	40%	30%
	PFOS \geq 4.0		
	Gen X \geq 10		
	PFBS \geq 2,000		



Challenge!

Standards were not yet established

Priority Projects

Priority project ranking and associated loan forgiveness percentages will be categorized by: **Detection levels of Non-PFAS Health Advisories in raw water and finished water**

Emerging Contaminant	Detection Level (ppt) ¹	Loan Forgiveness %	
		Finish Water	Raw Water
Health Advisories (HA) on EPA's Contaminant Candidate Lists 1-5 (Non-PFAS)	≥ HA level	40%	30%
	≥ 50% of HA level	20%	N/A



Priority Projects

Connection projects will receive a bonus LF amount

Project reviewers must verify in PFAS/EC connection projects that connection parent (system being connected to) does not have a PFAS/EC detection



Incorporating DAC

	City A	City B	City C	Total
Population Served	25,000	15,000	10,000	50,000
Weighted Percent	50.00%	30.00%	20.00%	100.00%

Percent of Population Served:	100.00%					100.00%	
Enter or Select Communities:	Burlington					Total Service Area (Wtd. Avg.)	
1 Median Household Income (MHI)	\$48,013					\$48,013	2
2 Percent Below Poverty Level	18.0%					18.0%	2
3 Percent Receiving Public Assistance or SNAP	19.4%					19.4%	2
4 Percent Receiving Supplemental Security Income	6.3%					6.3%	2
5 Unemployment Rate (Primary County 12 mo avg)	4.2%					4.2%	2
6 Percent Not in Labor Force	39.1%					39.1%	2
7 Population Trend (2010-2020)	-3.5%					-3.5%	2
8 Percent with High School Diploma or Less	40.6%					40.6%	0
9 Percent of Vacant Homes (excl. Seasonal and Vacation)	10.0%					10.0%	1
10 Percent Housing Cost Burdened (>= 30% of Income)	29.4%					29.4%	2
TOTAL							17

Percent of Households At or Below 200% Poverty Level*	37.8%					37.8%
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	Point Range	Principal Forgiveness
Low	0-10	0%
Moderate	11-15	15%
High	16-20	20%



Socioeconomic Assessment Tool – Determining Disadvantaged Status

<https://www.iowasrf.com/documents-and-guides/>

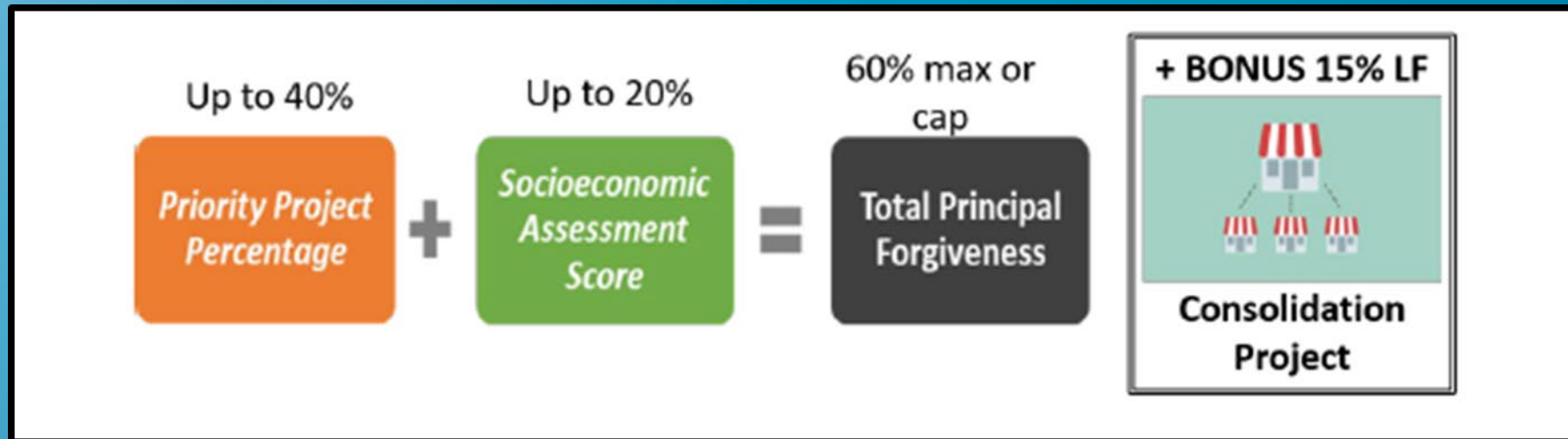
Incorporating DAC

- Any eligible project can receive LF but if not a qualified Disadvantaged Community (DAC) applicant, they will receive 0% LF for the Socioeconomic Assessment Score



Establishing a Formula

Loan Principal Forgiveness Formula



Establishing Boundaries

- Loan Forgiveness is capped at \$2 million per project
- Loan Forgiveness applied only to eligible construction costs



Funding Pipeline

Project Name	Project Description	Populati	Project Statu	Current Funding Reque:	Funding Source		
					Base BIL GS	PFAS/EC	DAC
Central City (PFAS/EC)	New Well	1264	C	\$ 2,085,000.00	x	x	NO
Tama (PFAS/EC)	Water Treatment Plant Improvements	2745	C	\$ 3,941,000.00	x	x	YES
Rock Valley (PFAS/EC)	New Well	3730	P/C	\$ 726,000.00	x	x	NO
Burlington (PFAS/EC)	Water Supply and Treatment Improvements	23713	C	\$ 3,499,000.00	x	x	YES
Burlington (PFAS/EC)	New Jordan Wells Project	23713	C	\$ 16,356,000.00	x	x	YES
Ames (PFAS/EC)	North River Valley Well field & Pipeline	58965	L/C	\$ 12,161,000.00	x	x	NO

Challenge!

\$38,768,000 Total Project Costs
 \$11,969,000 FFY 2022 allocation



Use of Base SRF Resources

Assistance agreements will include a combination of additional subsidization (loan principal forgiveness) and repayable financing



Example – Burlington

Emerging Contaminant	Detection Level (ppt) ¹	Loan Forgiveness %	
		Finish Water	Raw Water
PFAS	PFOA ≥ 4.0	40%	30%
	<u>PFOS ≥ 4.0</u>		
	Gen X ≥ 10		
	PFBS ≥ 2,000		
Health Advisories (HA) on EPA's Contaminant Candidate Lists 1-5 (Non-PFAS)	≥ HA level	40%	30%
	≥ 50% of HA level	20%	N/A

	Point Range	Principal Forgiveness
Low	0-10	0%
Moderate	11-15	15%
High	<u>16-20</u>	<u>20%</u>

40 %

20 %

60 %



Disadvantaged Community



Structuring Assistance Agreements

Example - Burlington

Total Project Cost: \$3,499,000

Construction Cost: \$2,099,400

Total Loan Amount: \$3,499,000

PFAS/EC Fund \$1,259,640

DWSRF Fund \$2,239,360

Principal Forgiveness: (\$1,259,640) = 60% project cost

Final Repayment: \$2,239,360

Disadvantaged Community



Example 2

Emerging Contaminant	Detection Level (ppt) ¹	Loan Forgiveness %	
		Finish Water	Raw Water
PFAS	PFOA ≥ 4.0	40%	30%
	PFOS ≥ 4.0		
	Gen X ≥ 10		
	PFBS ≥ 2,000		
Health Advisories (HA) on EPA's Contaminant Candidate Lists 1-5 (Non-PFAS)	≥ HA level	40%	30%
	≥ 50% of HA level	20%	N/A

40 %

0%

40 %



Not a Disadvantaged Community



Example 3

Emerging Contaminant	Detection Level (ppt)1	Loan Forgiveness %	
		Finish Water	Raw Water
PFAS	PFOA ≥ 4.0	40%	30%
	PFOS ≥ 4.0		
	Gen X ≥ 10		
	PFBS ≥ 2,000		
Health Advisories (HA) on EPA's Contaminant Candidate Lists 1-5 (Non-PFAS)	≥ HA level	40%	30%
	≥ 50% of HA level	20%	N/A

	Point Range	Principal Forgiveness
Low	0-10	0%
Moderate	11-15	15%
High	16-20	20%



55 %

20 %

75 %

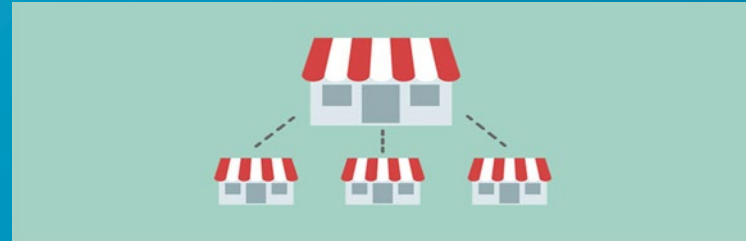


Disadvantaged Community
+
Connection Project



Example 4

Emerging Contaminant	Detection Level (ppt) ¹	Loan Forgiveness %	
		Finish Water	Raw Water
PFAS	PFOA ≥ 4.0	40%	30%
	<u>PFOS ≥ 4.0</u>		
	Gen X ≥ 10		
	PFBS ≥ 2,000		
Health Advisories (HA) on EPA's Contaminant Candidate Lists 1-5 (Non-PFAS)	≥ HA level	40%	30%
	≥ 50% of HA level	20%	N/A



55 %

0%

55 %



Not a Disadvantaged Community
+
Connection Project

Challenges

Challenge!

- Defining priorities before standards established
- BABA compliance for projects already in pipeline
- Balancing funds to also serve non-DAC systems and systems serving over 25,000

Project Name	Project Description	Populati	Project Statu	Current Funding Reque	Funding Source		
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Ames (PFAS/EC)	North River Valley Well field & Pipeline	58965	L/C	\$ 12,161,000.00	x	x	NO



Questions?

Theresa Enright

SRF Coordinator

515-725-0498

theresa.enright@dnr.iowa.gov

Water-infrastructure@dnr.iowa.gov

