



# Regional I&I Reduction Program Implementation

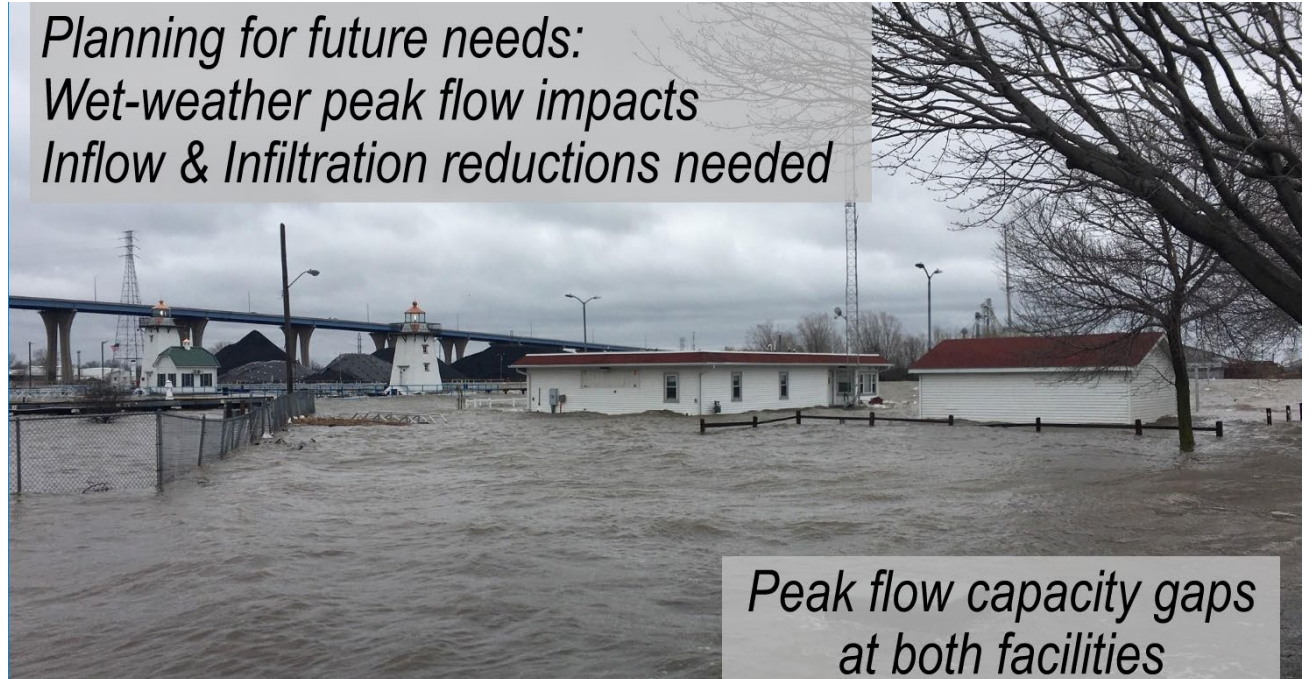
NEW Water TAC Meeting, Green Bay, WI // October 23, 2023



# Meeting Agenda

- I&I Program Plan:
  - Educational Assistance follow-up
  - Financial Assistance
- Next Steps

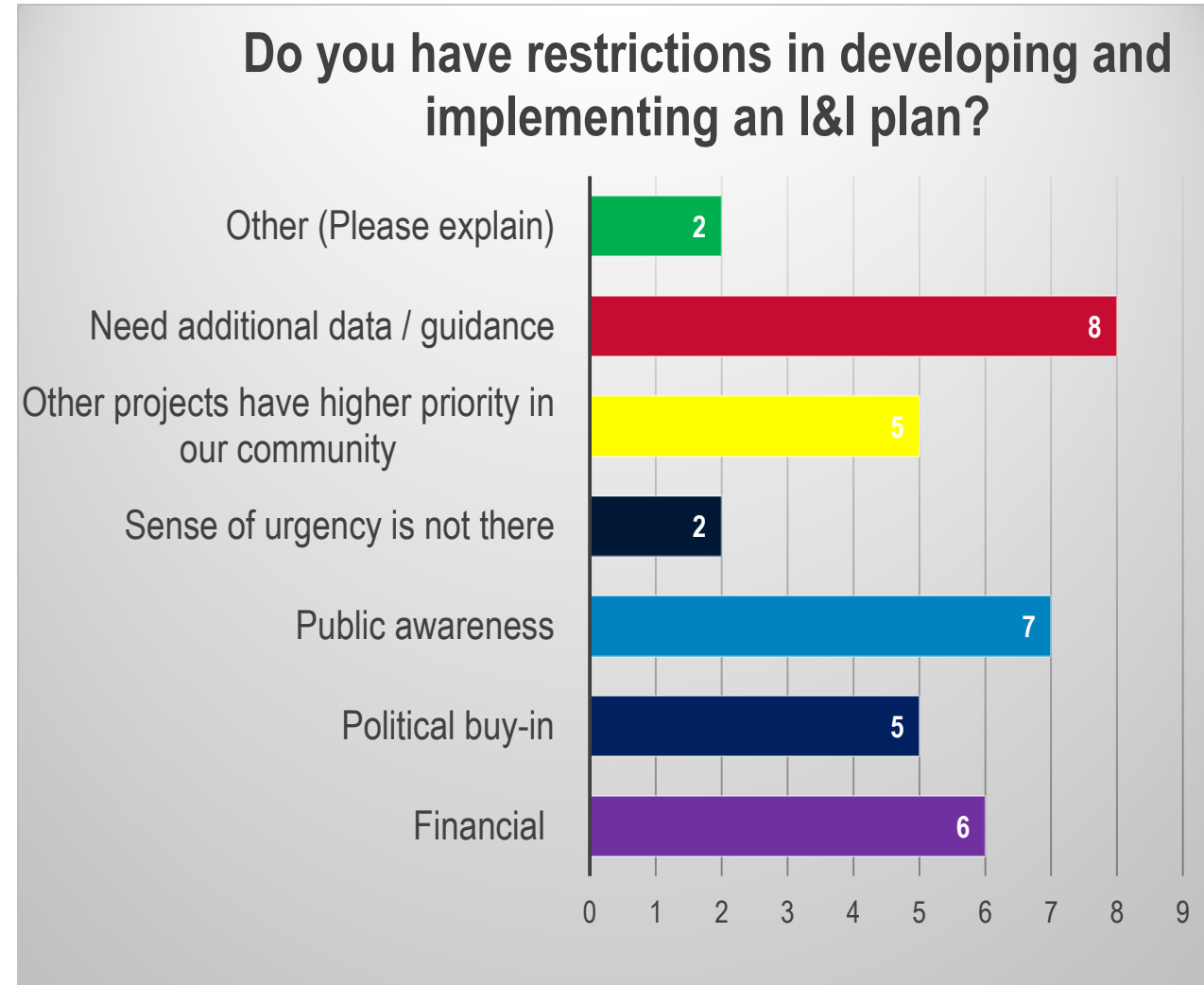
*Planning for future needs:  
Wet-weather peak flow impacts  
Inflow & Infiltration reductions needed*



*Peak flow capacity gaps  
at both facilities*

# Regional I&I Reduction Program Elements: Educational Assistance

- How can educational assistance help overcome these barriers?
  - Public awareness
  - Political buy-In
  - Sense of urgency
- *What kind of assistance would you like from NEW Water?*



# Educational Assistance – April 2023 TAC Meeting

*At the April 2023 TAC Meeting, NEW Water solicited feedback to set goals related to specific audiences for our Regional I&I Reduction Educational Assistance Program*

- Intermediate and Ultimate Goals were considered for:
  - Municipal Elected Officials
  - Residents
  - State Elected Officials





Let's Review the Draft Communication Plans!

# I&I Program Plan: Financial Assistance “Form”

- Population served by Regional Sewer District
- Number of municipal customers
- Year regional I&I program started
- Total amount of direct financial assistance provided
- What type of financial assistance is provided (e.g., grant, loan)?
- Amount of financial assistance per person
- Is there a cost-share to the financial assistance and if so, how much and by which entities (e.g., municipal customer, private property owner, Regional Sewer District)?
- How is the assistance funded?
- Does the Regional Sewer District receive any state or federal funding to cover I&I reduction costs on private property and/or for their municipal customer? If so, what are they?
- Are there eligibility limitations to the program and if so, what are they?
- What type of investigations are eligible for funding?
- Are I&I reduction effectiveness evaluations eligible for funding and/or completed by the Regional Sewer District?
- Is there a limit to the amount of planning, investigation, and design work that is eligible for funding?
- What type of mitigation activities are eligible for funding?
- Is private property work funded under the program? If so, what activities?
- "If there is work on private property, do the property owners work directly with the Regional Sewer District?"
- Equity considerations?
- Are there time limits to use the funding and if so, what are they?
- Additional comments



# Think about...

- What aspects of the case studies do you like?
- What aspects of the case studies do you not like?





# Discussion: Financial Assistance Summary Matrix

Comparison of I&I Financial Assistance Case Studies					
Case Study	Program #1	Program #2	Program #3	Program #4	Program #5
Population served by Regional Sewer District	1,100,000		2,700,000	1,000,000	3,100,000
Number of municipal customers	28		100	62	43
Year regional I&I program started	2010	2021	Proposed to start January 1, 2024	2021	1993
Total amount of direct financial assistance provided	\$62,000,000		\$1,500,000	\$77,000,000	\$860,000,000
What type of financial assistance is provided (e.g., grant, loan)?	Grants		Grants	Grants	Grants and Interest-free Loans
Amount of financial assistance per person	\$56		\$0.56	\$77	\$277
How is the assistance funded?	Funded through Prog. 1 Capital Fund; funding distributed equitably to municipal customers based on what they pay into		Legislature amended statute 471.342 to allow Prog.3 to provide grant funding to local	Funded through Prog. 4 Capital Fund; competitive application process. Municipal customers with a higher percentage of residential properties are prioritized.	Funds allocated based on percent share of wholesale sewer charges; funds must remain separate from other community funds and accounts
Does the Regional Sewer District receive any state or federal funding to cover I&I property and/or for their municipal customer? If so, what are they?	No				
Are there eligibility limitations to the program and if so, what are they?	No, but the municipal customer must submit a complete Financial Assistance Applications 30 days before the distribution of funds \$2M or less and 90 days before distribution of funds greater than \$2M				
Is there a cost-share to the financial assistance and if so, how much and by whom (municipal customer, private property owner, Regional Sewer District)?	Private property owner pays 25%				
What type of investigations are eligible for funding?	I&I reduction planning; engineering design				
Is there a limit to the amount of planning, investigation, and design work that is eligible for funding?	No				
What type of mitigation activities are eligible for funding?	Pipeline or manhole or lateral replacement and rehabilitation; public and private inflow source removal; storm collectors for private inflow; removal and/or rerouting of catch basins, area drains, sump pump discharges, roof and area draining, sewer/storm drain cross connections; equipment to identify, eliminate, or reduce I&I				
Is private property work funded under the program? If so, what activities?	Yes, private inflow source removal and lateral replacement or rehabilitation				
If there is work on private property, do the property owners work directly with the Regional Sewer District?	No, Prog. 1 works directly with the municipal customer for the work	Approved by Prog. 2, the contractor works directly with	Contractors in alignment with the grant program guidelines. Municipalities who choose to pay the private property owner directly may be required to provide a 1099 tax form.	No, the work is completed through the municipality	No, the work is completed by the municipal customer
Are I&I reduction effectiveness evaluations eligible for funding and/or completed by the Regional Sewer District?	Yes, some evaluations are paid for by the municipal customer using their PPII funds and some are initiated and paid for by Prog. 1	Not applicable since too small of study area	Not applicable since too small of study area	Yes, Prog. 4 will continue to monitor the area to see the impact of the project on flows in the MCIP areas	Yes.
Equity considerations?	All municipal customers receive an equal amount of funding based on what they pay to Prog. 1 (equalized value)	All municipal customers receive an equal amount of funding based on what they pay to Prog. 2 (equalized value); Prog. 2 is looking into how to make the program more accessible to the economically disadvantaged	Up to \$10,000 may be available based on local community-based qualifying equity needs.	Applications from fiscally distressed communities are ranked higher in the competitive application process.	All municipal customers receive an equal amount of funding based on what they pay to MWRA
Are there time limits to use the funding and if so, what are they?	Yes, the municipal customers have one year to use their allocation of the PPII funds, with the option to use these funds for one additional year	Yes, the municipal customers have one year to use their allocation of the PPII funds, with the option to use these funds for one additional year	Yes, eligible work must be completed between Jan. 1, 2024 and Dec. 31, 2024	Yes, eligible work must be completed within 24 months	Loans must be repaid within 5-years of origination; restrictions to use grant funding from previous phases before grant funding from subsequent phases becomes available
Additional comments	Prog. 1 maintains a list of contractors and products that are approved to work on the program. Prog. 1 provides complimentary flow monitoring based on flow meter availability	Prog. 2 maintains a list of contractors and products that are approved to be used for Pipe Check work; to participate in Pipe Check, the property owner must pay for a site visit and clear water evaluation, including lateral CCTV and internal and external inspection of house plumbing and drainage from house, completed by the approved contractor at the property owner's expense	Prog. 3 previously tried a providing grants for private property work but ran out of funding for the grants within 8 months of starting that program.	Each municipal customer received a report documenting the range of available solutions for later implementation through MCIP	Percentage of funding for grants versus interest-free loans varies by Phase; funding must be repaid under 5-year loan term with equal, annual load payments and no pre-payment loan penalty



# Comparison of Programs

Advantages and Disadvantages					
	Program #1	Program #2	Program #3	Program #4	Program #5
<b>Advantages:</b>					
Complimentary flow monitoring provided	X			X	
Larger, regional contracts for engineering and construction are more cost-effective	X			X	X
The work is not taxable because it is initiated by a municipality for the greater good	X			X	X
Additional funding available for economically disadvantage participants			X	X	
Work is completed in areas with the worst I&I issues	X			X	
Offers both grant and interest-free loan options					X

## Advantages and Disadvantages

	Program #1	Program #2	Program #3	Program #4	Program #5
<b>Disadvantages:</b>					
Challenging for municipalities to use the funds effectively	X				
Funds may sit idle when they could be used for other capital improvements	X				X
Questions regarding what is eligible for funding	X				
Funding has strings attached	X			X	X
The work is taxable because it is initiated by a private property owner		X	X		
Cost share makes it challenging for low-income participants		X	X		
The work is not completed in a concentrated area so I&I reduction will not likely be noticeable		X	X		
One-time funding sources make it can challenging to make an impact on I&I			X	X	
Not focused entirely on I&I reduction				X	X
Relatively more expensive than other case studies					X
Little oversight on how the funds are spent					X
Different funding combinations by year may make management more cumbersome					X

# What are the Advantages and Disadvantages of a Financial Assistance Program through NEW Water?

- Advantages
- Disadvantages





# For what types of activities would you like Financial Assistance?

- Investigation
- Mitigation
- Flow Evaluations
- Private Property

# How should Financial Assistance from NEW Water be funded?

- Portion of rate payment allocated to municipal fund for I&I
- Funds collected from rate revenue resulting from excessive wet weather flows, if allowable
- I&I reduction charge
- “Local only” approach
- Other?



# Should there be a cost share?

- Municipal Customer
- Property Owner



# Funding Limits

- Should there be eligibility limitations to the funding?
- Should there be a time limit to use the funding?



# Next Steps

- Survey regarding future I&I education workshop(s)
- Financial Impact Evaluation (in progress)
- Flow Monitoring Plan
- Upcoming TAC Meetings and Tentative Timing:
  - TAC Meeting #4 (Dec/Jan)
- Tentative Topics:
  - Financial Impact Evaluation Results
  - Flow Monitoring Plan
  - Proposed Tributary Areas to Flow Meters







Thank you!