# Clean Water State Revolving Fund Intended Use Plan

## For Bipartisan Infrastructure Law Emerging Contaminants Capitalization Grant

Federal Fiscal Years 2022 & 2023

Submitted to the



# U.S. Environmental Protection Agency Region IV

By the



Florida Department of Environmental Protection

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## 1. Introduction

President Biden signed the Bipartisan Infrastructure Law (BIL) on November 15, 2021. The BIL provides \$5 billion through the State Revolving Funds (SRFs) to reduce people's exposure to perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other emerging contaminants (ECs) through their drinking water. The BIL provides emerging contaminants funding through the SRFs that must be distributed to communities entirely as forgivable loans or grants. States are not required to provide matching funds. FDEP has set its short and long term goals of this IUP to align with EPA's strategic goals and objectives FFY 2022-2026 EPA Strategic Plan. The Office of Water has identified specific measures that address the strategic goals and objectives outlined by EPA in its strategic plan. A basis for each goal in this program IUP has been identified. These references ensure that all of the specific commitments made by the State are properly correlated to the strategic goals and objectives of the Agency.

To receive BIL funding, states must submit an Intended Use Plan (IUP) to the Environmental Protection Agency the State of Florida's IUP for the Clean Water State Revolving Fund (CWSRF) is prepared in accordance with the provisions of Title VI of the Clean Water Act of 1987, and the Federal Appropriations Acts. The capitalization grants emerging contaminants allotment from the Consolidated Appropriations Act, 2022 (Pub. L. 117-103) and funding allocated under the Bipartisan Infrastructure Law (BIL) are available.

Florida's allocation from the Federal Fiscal Year (FFY) 2022 emerging contaminants capitalization grant is \$3,156,000 and \$7,177,000 for FFY 2023. No state match is required. 100% of these funds available as additional subsidy with no restriction on eligibility.

Florida's CWSRF program is also governed by Chapter 62-503 & 62-505 of the Florida Administrative Code (F.A.C.). The operating agreement between the Florida Department of Environmental Protection (FDEP) and the U.S. EPA further explains program implementation and the responsibilities of the FDEP.

The capitalization grant funds for the CWSRF BIL EC funding from FFY 2022 & 2023 will be distributed as outlined by this plan.

# 2. Program Goals

#### A. Short Term Goals

- A. To provide CWSRF assistance to the extent there are sufficient eligible project applications of the CWSRF BIL EC Capitalization Grant for projects to address ECs.
- B. To provide 100% (\$3,156,000) FFY 2022 and (\$7,177,000) FFY 2023 of the CWSRF BIL EC Capitalization Grant as subsidization.
- C. To ensure the projects receiving any Federal funds are in compliance with the Build America Buy America (BABA) Act passed by Congress in 2021, concurrently with the BIL.
- D. To ensure that Davis Bacon Act wage rules apply to all assistance agreements made with funds appropriated under the BIL EC Capitalization Grant.

- E. Assure that SRF funds are used effectively for wastewater treatment and stormwater management projects, non-point source pollution management projects and/or estuary conservation and management systems intended to resolve high priority public health and water quality concerns as well as other regulatory agency concerns.
- F. In accordance with 40 CFR §31.40 and 40 CFR §35.3165, as applicable, provide in the Annual Report or through the online CWSRF Benefits Reporting System, information regarding the achieved environmental results. Results shall include how the CWSRF impacts compliance, water quality, and designated uses.
- G. Assure that all funds are expended in an expeditious and timely manner by executing binding agreements in an amount not less than 100 percent of each BIL EC Capitalization Grant payment within 1 year of receipt of such capitalization grant payment.
- H. Assure the fiscal, technical, and managerial integrity of the SRF program by preventing waste, fraud, and abuse. Projects will be inspected as necessary to make certain the project is constructed correctly and efficiently.
- I. Expedite project development and construction by encouraging projects to begin construction within one year of placement in the IUP. Projects on the fundable list for construction represent the vast majority of the committed funds and are ready to be submitted for bids. As a result, these projects nearly always begin construction within one year.

#### B. Long Term Goals

- A. Ensure Clean and Safe Water for All Communities by funding projects that prioritize Reliable Water Infrastructure and Protect and Restore Waterbodies and Watersheds by addressing sources of water pollution and projects that ensure water quality standards are protective of the health and environment.
- B. Leverage the CWSRF funds by partnering with the various state and federal funding programs. By working with all funding sources, the CWSRF can ensure that the borrowers optimize the assistance and stretch the limited funds to provide the maximum environmental benefit possible.
- C. Contribute to statewide compliance with water quality standards. This goal can be facilitated through the planning, design and construction of cost-effective wastewater treatment and stormwater management facilities, non-point source pollution management systems, and estuary conservation and management programs.
- D. Facilitate small and financially disadvantaged community participation in the SRF program. CWSRF staff will continue to work with the domestic waste inspectors to identify projects that are needed to comply with the state and federal requirements. The facilities will be guided through the CWSRF and Small Community Construction Grant Programs to maximize the water quality benefit.
- E. Promote wastewater and stormwater facilities that support orderly and environmentally sound growth, discourage urban sprawl, support sustainable systems and help build or maintain the technical, financial, and managerial capacity of the recipients. Projects that expand collection systems into areas which are not currently developed will be discouraged through the priority system and will only be financed if excess funds are available.

## 3. Program Changes

To successfully implement the BIL EC Capitalization Grant, CWSRF, in accordance with Chapter 62-503.850, Florida Administrative Code (F.A.C.), made exceptions to the following rules made:

- A. 62-503.300(1)(b) readiness-to-proceed criteria for the documentation to be timely submitted to compete for funding at a priority list meeting.
- B. 62-503.300(1)(d) readiness-to-proceed deadline for the submittal and response to Department comments of documentation to appear on the priority list.
- C. 62-503.500 Funds reserved for specific purposes.
- D. 62-505.300(1) Eligibility and Availability Sponsor must be a "financially disadvantaged small community" or a county, municipality, or special district that has a population of 10,000 or fewer, according to the latest decennial census, and a per capita annual income less than the state per capita annual income to be eligible for additional subsidy.

The exemption to these rules was approved as only one project submitted project information and a cost estimate for planning, design, and construction. Should additional projects submit information, a ranking of projects, and segment of projects will be completed.

Additionally, ranking of potential projects was based on the detected concentration of a substance or microorganism know or anticipated to cause risks to human health, aquatic life, or the environment that do not have water quality criteria established by EPA.

The main categories of emerging contaminants considered include but are not limited to:

- Perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other persistent organic pollutants (POPs) such as polybrominated diphenyl ethers (PBDEs; used in flame retardants, furniture foam, plastics, etc.) and other persistent organic contaminants such as perfluorinated organic acids, PFAS free foam flame retardants;
- Biological contaminants and microorganisms, such as antimicrobial resistant bacteria, biological materials, and pathogens;
- Some compounds of pharmaceuticals and personal care products (PPCPs), including a wide suite of human prescribed drugs (e.g., antidepressants, blood pressure medications, hormones), over-the-counter medications (e.g., ibuprofen), bactericides, fragrances, UV filters (sunscreen agents), detergents, preservatives, and repellents;<sup>29</sup>
  - Insect Repellents, Cosmetics and UV filters: DEET, Methylparabens, Benzophenone
  - Fragrances: HHCB and AHTN (7-acetyl-1,1,3,4,4,6-hexamethyl-1,2,3,4-tetrahydronaphthalene; CAS 21145-77-7; Tonalide)
  - Cosmetic and food preservatives: BHA (butylated hydroxyanisole) and BHT (butylated hydroxytoluene)<sup>32</sup>
  - Veterinary medicines such as antimicrobials, antibiotics, anti-fungals, growth promoters, investigational new

- animal drugs, and hormones;
- Substances that illicit endocrine-disrupting chemicals (EDCs), including synthetic estrogens (e.g.,17αethynylestradiol, which also is a PCPP) and androgens (e.g., trenbolone, a veterinary drug), naturally occurring estrogens (e.g.,17β-estradiol, testosterone), as well as many others (e.g., organochlorine pesticides, alkylphenols)
- Nanomaterials such as carbon nanotubes or nano-scale particulate titanium dioxide, of which little is known about either their environmental fate or effects. Microplastics/Nanoplastics: synthetic solid particle or polymeric matrix, with regular or irregular shape and with size smaller than 5 mm, of either primary or secondary manufacturing origin, or larger plastic materials that degrade into smaller pieces, including from tire wear (such as 6PPD), which are insoluble in water. 33 Primary microplastics include particles produced intentionally of this very small dimension, like pre-production pellets used as intermediate in plastic production, microbeads for abrasive functions or microfibers that form from synthetic textiles.

Additionally, costs for planning, design, and construction were requested so as to best determine the use of the BIL EC Capitalization Grant funds.

CWSRF will implement the Build America Buy America Act (BABA) as stated in 41 USC 8301 for projects funded through CWSRF BIL EC Capitalization Grant. BABA is considered a federal cross-cutting requirement that applies to SRF assistance equivalent to the BIL EC Capitalization Grant (i.e., "equivalency" projects). EPA's SRF regulations at 40 CFR 35.3145 and 35.3575 require states and recipients of SRF funds equivalent to the amount of the capitalization grant to comply with federal cross-cutting requirements. Section 70914 of the IIJA, which states when a Buy America preference applies, explains that "none of the funds made available for a Federal financial assistance program for infrastructure may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Therefore, BABA only applies to projects funded in an amount equivalent to the federal capitalization grant.

## 4. SRF Data System

The CWSRF will enter required data into the new EPA data system that has replaced the Clean Water Benefits Reporting (CBR) system and the Clean Water National Information System (CW-NIMS) to track clean water projects and report quarterly to the EPA.

# 5. Water Resources Reform and Development Act

The Water Resources Reform and Development Act added several requirements for CWSRF loan projects including:

- Davis-Bacon Wage Rates
- American Iron and Steel
- Fiscal Sustainability
- Cost and Effectiveness
- A/E Procurement Requirements

Davis-Bacon and American Iron and Steel had been added in previous appropriations and these amendments have made these requirements permanent.

The Bipartisan Infrastructure Law has added the Build America, Buy America Act requirements for CWSRF loan equivalency projects, this includes:

- All iron and steel used in the project are produced in the United States. This means all
  manufacturing processes, from the initial melting stage through the application of coatings,
  occurred in the United States.
- All manufactured products used in the project are produced in the United States. This means the
  manufactured product was manufactured in the United States, and the cost of the components
  of the manufactured product that are mined, produced, or manufactured in the United States is
  greater than 55 percent of the total cost of all components of the manufactured product, unless
  another standard for determining the minimum amount of domestic content of the manufactured
  product has been established under applicable law or regulation.

## 6. Operating Agreement

The CWSRF shall comply with all of the requirements of the CWSRF Operating Agreement made with EPA amended March 2016, including the assurances contained therein. The Operating Agreement is incorporated by reference.

#### **Assurances and Specific Proposals**

The FDEP has provided the necessary assurance and certifications as part of the Operating Agreement between Florida and the U.S. EPA. The Operating Agreement (OA) describes the mutual obligations between U.S. EPA and the FDEP. The purpose of the OA is to provide a framework of procedures to be followed in the management and administration of the CWSRF. The OA has been revised and is currently being routed for signatures.

The OA addresses our commitment to key CWSRF requirements, including:

- 602(a) Environmental Reviews: The CWSRF will conduct environmental reviews according to the State Environmental Review Process developed for the CWSRF.
- 603(b)(3) Binding Commitments: The CWSRF will enter into binding commitments for 100 percent of each quarterly grant payment within one year of receipt of the payment.

- 602(b)(4) Expeditions and Timely Expenditures: The CWSRF will expend all funds in the CWSRF in a timely manner. Note that the OA is currently being revised to address changes to the CWSRF rule and the Clean Water Act.

#### Federal Requirements for Equivalency Projects

Many federal requirements apply in an amount equal to the capitalization grant. These requirements are:

- Single Audit Act (OMB A-133)
- Disadvantaged Business Enterprise (DBE) compliance
- Federal environmental crosscutters
- Federal Funding Accountability and Transparency Act (FFATA) reporting
- Public Awareness Enhancement (Signage)
- Telecommunications Prohibitions
- Build America, Buy America Act

In addition to meeting the requirements Florida applies to all projects, these projects must also certify compliance with the DBE requirements and must comply with the FFATA requirements for executive compensation reporting. Furthermore, Florida agrees to comply with all Title VI requirements of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Equal Employment Opportunity requirements (Executive Order 11246 as amended) which prohibit activities that are intentionally discriminatory and/or have a discriminatory effect based on race, color, national origin (including limited English proficiency), age, disability, or sex.

## 7. Project Selection and Methods of Distribution of Funds

CWSRF is anticipating funding Federal Fiscal Year (FFY) 2022 and 2023 projects using the BIL EC Capitalization Grant. No state match is required for the BIL EC Capitalization Grant. 100% of the funding from the BIL EC Capitalization Grant (\$10,342,000) will be used as subsidy.

States have flexibility to fund a wide variety of projects. Under CWA §606(c)(1), the IUP must include a list of publicly owned treatment works projects on the state's Project Priority List (PPL), developed pursuant to section 216 of the CWA, that are eligible for SRF construction assistance. This list must include: the name of the community; permit number or other applicable enforceable requirement, if available; the type of financial assistance; and the projected amount of eligible assistance.

The IUP must also contain a list of the activities eligible under section 603(c) of the CWA, including the nonpoint source and national estuary protection activities that the state expects to fund from its SRF. The fundable list must contain eligible projects for which the total cost of assistance requested is at least equal to the amount of the grant(s) being applied for.

The IUP must include a priority system for ranking individual projects for funding that provides sufficient detail for the public and EPA to readily understand the criteria used for ranking. The priority for the use of funds should address water quality, the most serious risks to public health, ensure compliance, and assist systems most in need based on the state's affordability criteria and disadvantaged community

definition. States should review their SRF priority setting system to ensure they adequately address these priorities.

Florida's Project Priority Ranking System incorporates Basin Management Action Plans (BMAPs) by giving projects listed in BMAPs the second highest priority score, behind projects that eliminate a public health risk. This change will target projects that have been identified by the Department as necessary for a water body to achieve compliance for funding by the CWSRF. Projects that address compliance and enforcement issues will also have a high priority. Bonus points will be added to projects that will assist in the restoration or protection of Outstanding Florida Waters, National Estuaries, Wild/Scenic or Recreational Areas, or impaired water bodies; projects that eliminate ocean outfalls; and projects that qualify for small community economic hardship status.

Projects are identified by systems through a Request for Inclusion (RFI) submittal process. Once an RFI form is received, the sponsor's project is placed on a comprehensive list of projects.

FDEP project engineers review the form and assign points to projects based on the information provided by the project sponsor. All project sponsors submitting an RFI are contacted, and the program requirements are discussed. Sponsors that complete all readiness requirements are then eligible to compete for funding.

When two or more projects score equally under the project priority system a tie breaking procedure will be used. The project that completed the requirements for funding first will receive priority.

Unreserved funds are assigned to projects in priority score order, within the funding of the BIL EC Capitalization Grant, until the funds are exhausted. Projects for which funding is not available and projects that are incompletely funded are placed on the waiting list for consideration in future years.

A project must be ready-to-proceed prior to being placed on the fundable portion of the list. If a sponsor fails to execute an assistance agreement in a timely manner it is subject to bypassing at a subsequent priority list hearing.

The fundable project priority list for the SFY 2022/2023 funds and waiting list, currently also the comprehensive list, is included as **Appendix A**<sup>1</sup>. There was one project sponsor requesting funding for an emerging contaminant project for the SFY 2022/2023 funding cycle. Description of this project is provided in **Appendix B**.

# 8. Public Notice and Public Meetings

To ensure interested parties were made aware of the public meeting, notice of the public meeting for the CWSRF Priority List adoption and CWSRF EC Project List was published in the Florida Administrative Register, Volume 49, Number 26, on February 8, 2023 (**Appendix C**). To ensure the public has an opportunity to review a draft version of the Intended Use Plan for EC was presented to the public at least

<sup>&</sup>lt;sup>1</sup> It should be noted that at the time of the public meeting, it was estimated that Florida would receive \$7,101,000 for FFY23. However, the actual allocation was \$7,177,000. The additional \$76,000 will be elevated from the waiting list portion to the funded portion for WW-4804C at the next public meeting.

two weeks prior to February 22, 2023, public meeting. During the public meeting, CWSRF presented and discussed the draft IUP for ECs, no public comments were received.

The meeting provides a forum for discussing the overall purpose, format, and content of the IUP including the types of assistance being provided through the CWSRF project account and set-aside account, the long- and short-term goals of the program, the priority system used to rank individual projects, and the proposed list of EC projects to receive funding from FFY 2022 and 2023 funds.

#### 9. Administrative Funds

The maximum *annual* amount of CWSRF money (not including any fees collected that are placed in the fund) that may be used to cover the reasonable costs of administering the fund (i.e., all BIL and base appropriations) is the greatest of the following: an amount equal to 4% of all grant awards to the fund received by a state CWSRF (less any amounts that have been used in previous years to cover administrative expenses) for the fiscal year; \$400,000; or 1/5 percent of the current valuation of the fund. The BIL did not alter these options or the calculation of available administrative funds and verification procedures already in place. **No money will be set aside for administration.** 

## 10. Program Evaluation Report

CWSRF anticipates receiving and responding to Program Evaluation Report (PER) and audit findings for FFY2022 and 2023 funding in calendar year 2024 during and following the Annual Review/PER.

## 11. Sources and Use of the Funds

CWSRF is anticipating funding State Fiscal Year 2023 projects using Federal Fiscal Year (FFY) 2022 & 2023 BIL EC Capitalization Grants. No state match is required for the BIL EC Capitalization Grant. No set-asides are allotted from the BIL EC Capitalization Grant. 100% of the funding from the BIL EC Capitalization Grant (\$10,342,000) will be used as subsidy.

The State definition of a small community is a municipality or unincorporated community with a total service area population of less than 10,000. A financially hardship community is defined as a small community to be served where the per capita income is less than the state average.

This designation has been waived for EC project consideration. This is justified by the fact that we have only received one project request for inclusion for emerging contaminants and while the sponsor's population is greater than 10,000, the per capita income is less than the state average.

If additional funds become available or deobligated, the department will distribute them through standard CWSRF methods at the next available Project Priority List meeting held quarterly.

No funds from the BIL EC Capitalization Grant will be recaptured through investment earnings, loan repayments, or service fees.

The estimated sources and uses of the funds in the CWSRF Program are as follows:

SOURCE OF FUNDS	AMOUNT
FEDERAL FUNDS	
EPA FFY2022 CWSRF BIL EC Capitalization Grant	\$3,165,000
EPA FFY2023 CWSRF BIL EC Capitalization Grant	\$7,177,000
STATE FUNDS	
SFY 2023 & 2024 Matching Funds Appropriated by the FL Legislature	\$0
SFY 2023 & 2024 Loan Repayment	\$0
Interest on Idle SRF Funds	\$0
PRIOR YEARS' BALANCE CARRIED FORWARD	
Deobligated Loan Funds	\$0
Recaptured Funds from Unused Previously Encumbered Money	\$0
Total Available Funds	\$ <mark>10,342,000</mark>

USE OF FUNDS	AMOUNT
PROJECTS	
Disadvantaged Community Subsidization (100% of BIL EC Capitalization Grants)	\$ <mark>10,342,000</mark>
Total Available Funds	<mark>\$10,342,000</mark>

It is not anticipated the source of funds will exceed the use of funds. Should projects not move forward expeditiously CWSRF will utilize the bypass procedure to elevate projects from the waiting list to the fundable list, up to the amount of funds available, to ensure that the BIL EC Capitalization Grant is utilized expeditiously.

At the time of this IUP, Florida does not have Unliquidated Obligations (ULO) related to the BIL EC Capitalization Grant.

## 12. Cash Draw

The "Automated Clearing House" payment schedule for FFY 2022 and 2023 funding identifies the timing of the cash outlays by the Federal government. The anticipated cash draw is for 100% of the BIL EC Capitalization Grant be taken in quarter 1 of the State Fiscal Year 2023-2024. As there is no state match, there will be no match drawdown.

#### **Allocation of Funds**

Category	Cash Draws for Projects	Cash Draws for Admin
FFY 2022 Emerging Contaminants Cap Grant	\$ 3,156,000	\$0
FFY 2023 Emerging Contaminants Cap Grant	\$ 7,177,000	\$0

#### **Payment Schedule**

	Amount	Quarter
FFY 2022 Emerging Contaminants Cap Grant	\$ 3,156,000	1 <sup>st</sup> Quarter FFY 2024
FFY 2023 Emerging Contaminants Cap Grant	\$ 7,177,000	1 <sup>st</sup> Quarter FFY 2024

## 13. Loan Agreements and Binding Commitments

CWSRF will assure that all funds are expended in an expeditious and timely manner, by executing binding agreements in an amount equal to not less than 100 percent of the amount of each BIL EC Capitalization Grant payment within 1 year after the receipt of such capitalization grant payment.

No additional binding commitments are anticipated with the BIL EC Capitalization Grant.

## 14. Assistance, Terms, and Fees

The assistance to be provided by the BIL EC Capitalization Grant is loan agreements with 100% subsidization for planning, design, and construction. The initial funding will be conducted as a planning loan agreement. As a project progresses to design, the loan agreement will be amended, if funds are available, to include design. Once design is complete, a loan agreement will be written for the construction. Each phase is dependent on available funding and will be conducted in priority ranking until funds are exhausted.

The term of the loan agreement is closed at the completion of the planning/design phase and then the construction phase.

At this time, only one project has submitted costs for planning, design, and construction. As such, the project is funded up to the BIL EC Capitalization Grant with the remaining funds on the priority list. The fundable project priority list for the SFY 2023 funds and waiting list, and currently the comprehensive list, is included as **Appendix A**.

As the BIL EC Capitalization Grant is to be provided as 100% subsidization, no use of market rate determination and calculation of a loan interest rate is conducted. Additionally, no use of fees assessed on assistance recipients is conducted by CWSRF.

## 15. Transfer of Funds

CWSRF does not anticipate a need to transfer funds to Drinking Water State Revolving Fund (DWSRF); however; CWSRF does reserve the right to in the future as needed.

## 16. Cross-Collateralization

CWSRF funds will not be used for debt security. There is no cross-collateralization of programs.

## 17. Green Project Reserve

The State agrees that the funds provided by the BIL EC Capitalization Grant may, at the discretion of the State, be used for projects to address green infrastructure, water or energy efficiency improvements, or other environmentally innovative activities.

## 18. Equivalency Projects

As no state match is required, all projects listed on the project priority list are equivalency projects and subject to crosscutter review, Federal Funding Accountability and Transparency Act (FFATA), minority business enterprise (MBE) and BABA, requirements.

CWSRF will implement the Build America Buy America Act (BABA) as stated in 41 USC 8301 for projects funded through CWSRF BIL EC Capitalization Grant. BABA is considered a federal cross-cutting requirement that applies to SRF assistance equivalent to the BIL EC Capitalization Grant (i.e., "equivalency" projects). EPA's SRF regulations at 40 CFR 35.3145 and 35.3575 require states and recipients of SRF funds equivalent to the amount of the capitalization grant to comply with federal cross-cutting requirements. Section 70914 of the IIJA, which states when a Buy America preference applies, explains that "none of the funds made available for a Federal financial assistance program for infrastructure may be obligated for a project unless all of the iron, steel, manufactured products, and construction materials used in the project are produced in the United States." Therefore, BABA only applies to projects funded in an amount equivalent to the federal capitalization grant.

## 19. Bypass Procedure

A project must be ready-to-proceed prior to being placed on the fundable portion of the list. If a sponsor fails to execute an assistance agreement in a timely manner it is subject to bypassing at a subsequent priority list hearing.

# 20. Amending Priority List

CWSRF will continuously amend the priority list through the course of the year. CWSRF anticipates amending the priority list on no less than a quarterly basis. Amending the priority list will be conducted through public noticing and public meetings. As more RFIs are submitted, readjustment of funding may be conducted. Should projects not move forward expeditiously CWSRF will utilize the bypass procedure to elevate projects from the waiting list to the fundable list, up to the amount of funds available, to ensure that the BIL EC Capitalization Grant is utilized expeditiously.

# 21. Disadvantaged Communities

The State definition of a small community is a municipality or unincorporated community with a total service area population of less than 10,000. A financially hardship community is defined as a small community to be served where the per capita income is less than the state average.

CWSRF prioritizes the small-disadvantaged communities, however, to utilize the BIL EC Capitalization Grant, this designation has been waived for EC project consideration. This is justified by the fact that we have only received one project request for inclusion for emerging contaminants and while the sponsor's population is greater than 10,000, the per capita income is less than the state average.

If additional funds become available or de-obligated, the department will distribute them through standard CWSRF methods at the next available Project Priority List meeting held quarterly.

# Appendix A Emerging Contaminants Project Priority List

# FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION WATER POLLUTION CONTROL SRF PRIORITY LIST FY 2023

ADOPTED FOR:02/22/2023

FUNDABLE

TIER 2 & TIER 3

TIER	PRIORITY	APPLICANT/	PROJECT	PROJECT DESCRIPTION	NPDES	Adoption	Federal	Requested	Authorized	Principal	Waiting List
HEK	SCORE	PROJECT NBR	TYPE			Date	Appropriation	Loan Amount	Loan Amount	Forgiveness	vvaiting List
Tier3	100	Orlando WW-4804C	WW/Plan - Pilot Study	Pilot Study - SuperCritical Water Oxidation (Iron Bridge WWP AirSCWO Biosolids Treatment)	FL0037966	2/22/2023	FFY2022 & 2023 BIL EC	\$812,000	\$812,000	\$812,000	\$0
		Orlando		SuperCritical Water Oxidation Installation (Iron Bridge WWP AirSCWO Biosolids			FFY 2022 &				
Tier3	100	WW-4804C	WW/Con	Treatment)	FL0037966	2/22/2023	2023 BIL EC	\$9,453,000	\$823,000	\$9,453,000	\$8,630,000
TOTAL N	TOTAL NEW PROJECTS:					\$10,265,000	\$1,635,000	\$10,265,000	\$8,630,000		
TOTALS:	TOTALS: \$10,265,000 \$1,635,00					\$1,635,000	\$10,265,000	\$8,630,000			

<sup>\*</sup>Small community <=10,000 (based on the 2010 Census for projects Listed after 6/30/2011)

## Appendix B

## **Project Description**

#### City of Orlando Emerging Contaminants Project Information

#### Overview

The city of Orlando Water Reclamation Division (WRD) operates three water reclamation facility's (WRF). One of the byproducts created is a biological solids material know as sludge or biosolids. Currently, the City's treated biosolids are being land applied as a fertilizer product. The EPA has identified chemicals known as PFAS (per- and polyfluorinated substances) which have been found in biosolids. The long-term health implications of exposure to PFAS chemicals is unknown at this time but it is likely regulations will be forthcoming that require treatment/removal of these chemicals. As Florida uses the aquifer as the primary source of drinking water, it is highly likely that biosolids containing PFAS will be limited or banned from land application to prevent PFAS chemicals from being transmitted by groundwater flow into the aquifer. In addition, biosolids can't be applied during wet conditions which can create a problem after inclement weather events by restricting the City's ability to move biosolids out of the wrf's. Storage options are limited and can create their own problems (odors, vectors, housekeeping, etc.). A long-term solution is needed that minimizes or eliminates the City's dependence on land application as a disposal method and addresses the current concerns regarding PFAS contamination of biosolids.

### **Proposed Project**

WRD is participating in various studies to identify options currently available for biosolids disposal that do not require land application. As part of that process, staff was introduced to a company by the name of 374Water. This company sprang from a Duke University project funded by the Gates Foundation to further develop super critical water oxidation (SCWO) technology as a viable treatment system for biosolids and other organic wastes (e.g. nerve gas, pesticides, petroleum etc.). The Duke process is licensed by 374Water which has already developed and constructed modular 6 wet ton per day commercial treatment units. The SCWO technology is superior to most destructive process systems in that it is reported to provide complete destruction of organic materials, PFAS chemicals and microplastics, does not produce odorous or regulated off-gases, and is a net energy producer due to the oxidation reaction taking place. Although the 374Water system looks very promising, City staff believes it would be prudent to pilot test the system to confirm the reported results with City biosolids.

The proposed project will be delivered in two phases. The first phase will be a pilot study project held at the City's Iron Bridge Regional Water Reclamation Facility. See the attached map for the project location. The City intends to lease a 6-ton per day SCWO treatment unit from 374Water for a period of 3 months and have 374Water operate the unit under contract. This would allow the City to develop information on operating reliability, effluent quality and the level of organic material and PFAS destruction taking place to determine if the system could serve as a viable, long-term solution for biosolids and PFAS elimination. Table 1 below shows the constituents that will be tested for during the pilot. Both influent and effluent streams will be sampled to determine the percent reduction of each constituent after treatment.

#### APPENDIX C

#### Notice of Meeting/Workshop Hearing

#### DEPARTMENT OF ENVIRONMENTAL PROTECTION

#### **Division of Water Restoration Assistance**

The State Revolving Fund Program announces a public meeting to which all persons are invited.

DATE AND TIME: February 22, 2023, 2:00 p.m.

PLACE: Virtual meeting, email Michael.Chase@FloridaDEP.gov for an invitation

GENERAL SUBJECT MATTER TO BE CONSIDERED: A public virtual meeting will commence at 2:00 p.m. until not later than 3:00 p.m., to discuss the issues and recommendations for management of the FY 2023 Clean Water State Revolving Fund Supplemental BIL(EC) priority list of projects to be funded with loans under Chapter 62-503, Florida Administrative Code, respectively. To request an invitation to the virtual meeting, please send an email to: Michael.Chase@FloridaDEP.gov.

A copy of the agenda may be obtained by contacting: Michael Chase, State Revolving Fund Program, 3900 Commonwealth Boulevard, Mail Station 3505, Tallahassee, Florida 32399-3000, (850)245-2913, Michael.Chase@FloridaDEP.gov.

Pursuant to the provisions of the Americans with Disabilities Act, any person requiring special accommodations to participate in this workshop/meeting is asked to advise the agency at least 5 days before the workshop/meeting by contacting: Michael Chase. If you are hearing or speech impaired, please contact the agency using the Florida Relay Service, 1(800)955-8771 (TDD) or 1(800)955-8770 (Voice).

For more information, you may contact: Michael Chase, (850)245-2913, Michael.Chase@FloridaDEP.gov @FloridaDEP.gov, State Revolving Fund Program, 3900 Commonwealth Boulevard, Mail Station 3505, Tallahassee, Florida 32399-3000.