What Types of Grants are Available?

Drinking Water and Wastewater

- $250 Million for water and sewer projects

Broadband Deployment Fund

- $250 Million for unserved / underserved broadband areas
- $50 Million for securing economic development opportunities for commercial and industrial customers

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What is the Program?

- Drinking Water and Wastewater Grant Program

- Planning, design and construction costs for water or sewer related projects that have a social, economic or environmental impact

- Funded by the American Rescue Plan Act of 2021 Coronavirus State Fiscal Recovery Fund

- Appropriated in the 2021 Regular Session of the General Assembly (SB 36) to the Kentucky Infrastructure Authority to administer the program

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How Much Money Do We Have?

- $250M appropriated in the 2021 Regular Session of the General Assembly
  - $150M Pool – allocated by county population
  - $50M Pool – for unserved drinking water customers in rural areas / federal consent decree (Lexington, Louisville, Northern KY Sanitation District No. 1, Winchester)
  - $49.9M Pool – to supplement a project grant where the cost is greater than the county's allocation / designated for cost escalations and changed conditions

What is the Project Scope?

- Number of Potential Projects (>350)
  - 120 – One in each county
  - 269 - Number of unserved drinking water projects
  - 4 of Federal Consent Decree Utilities

- Number of Utilities (713)
  - 367 – Public drinking water utilities
  - 346 – Public wastewater utilities

How Will the Utilities Apply?

- Use the Water Resource Information System (WRIS) Project Profile information as the application

- Coordinate with the Water Management Council at the Area Development District

- Water Service Coordinator will help utility complete the Project Profile

- Water Service Coordinator will select Cleaner Water Program Grant Program as the funding source under the budget tab

When Can the Utilities Apply?

- Now, by submitting or updating a Project Profile
- Call for Projects opened June 1

Note: Utilities will have time to create new Project Profiles before final decisions (awards) are made
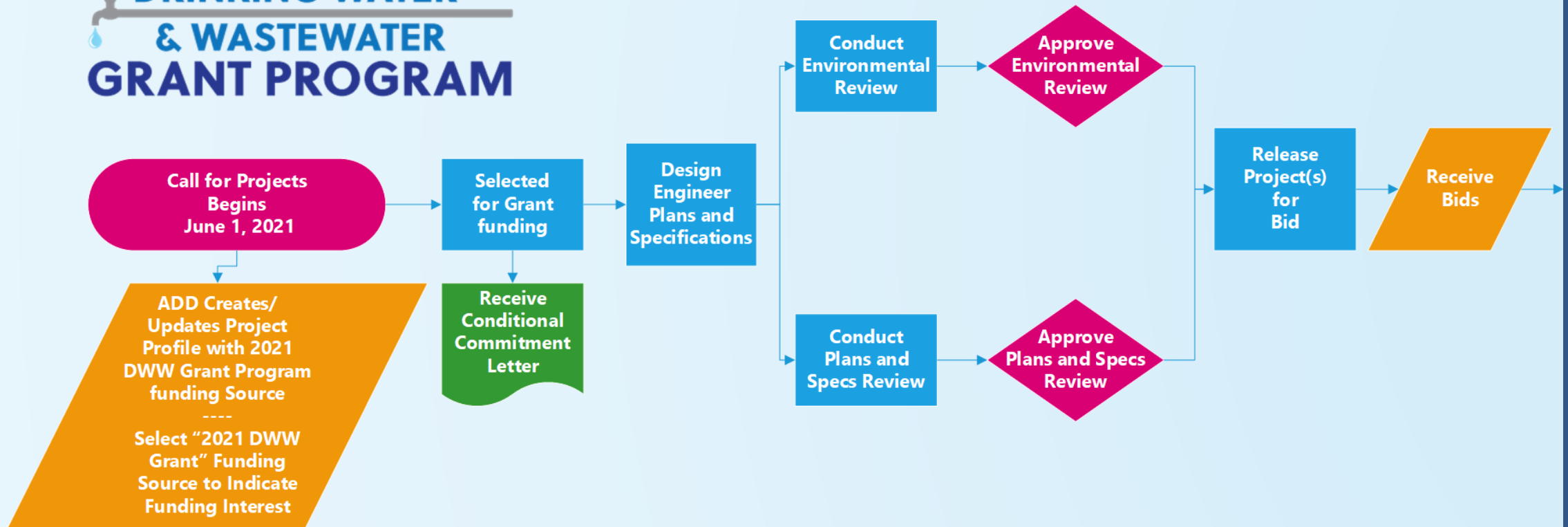
How Will the Projects Be Selected?

- $150M Pool – selected through coordination between utilities, cities and counties
- $50M Pool – will be evaluated based on number and type of projects that check the box
  - unserved drinking water customers in rural areas
  - federal consent decree (Lexington, Louisville, Northern KY SD No. 1, Winchester)
- $49.9M Pool
  - $25 M designated for cost escalations and changed conditions
  - $24.9 M to supplement a project grant
- Ready to Proceed / Obligate all funds by December 31, 2024
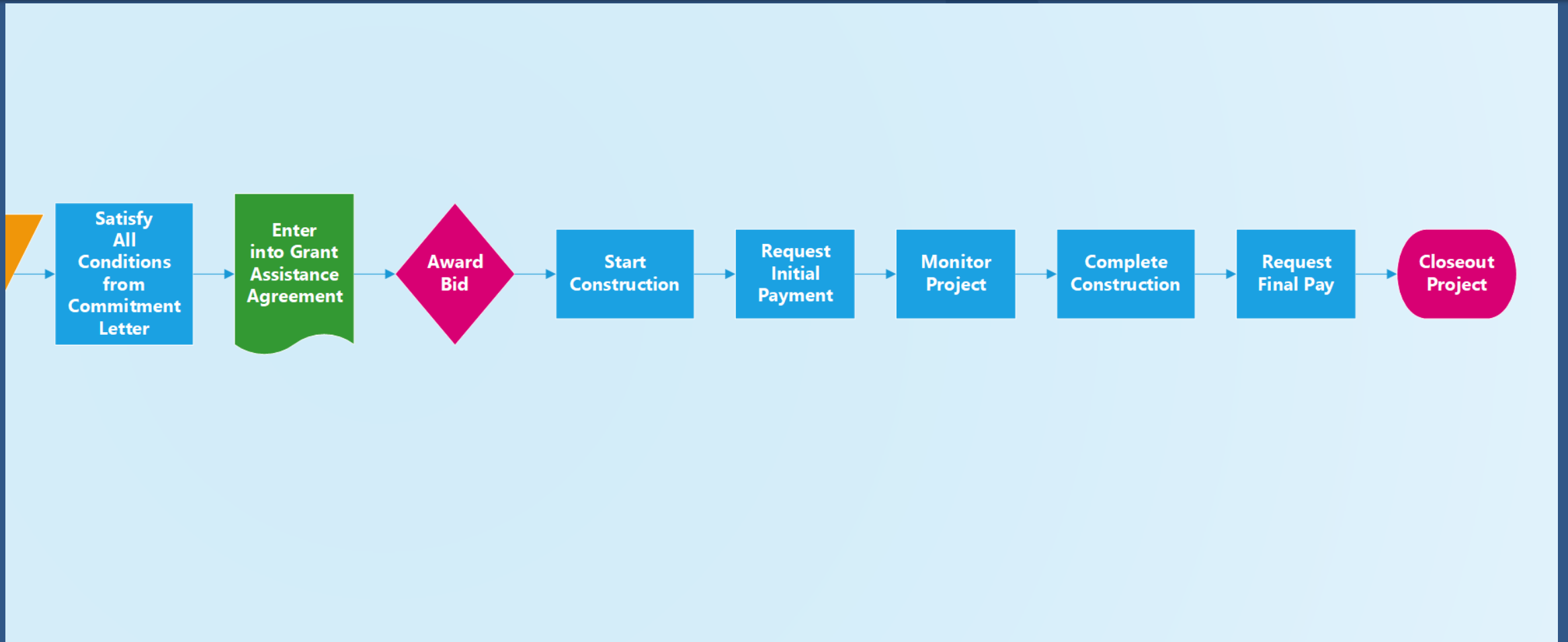- Use WRIS to evaluate social, economic and environmental criteria

What is the Process?

What is the Process?

When Will the Grant Funding Be Available?

- After Federal Program Guidance is Finalized

- After Federal Funding is Received

- After Administrative Regulations are executed

- After County Allocation Amounts are Released

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What is Left to Do?

- Coordinate with Area Development Districts

- Coordinate with Elected Officials

- Review final federal guidance

- Finalize grant commitment letter and grant assistance agreement

- Get Projects Underway and Completed!

How Much Money Do We Have?

- $300M appropriated in the 2021 Regular Session of the General Assembly
  - Funded by the American Rescue Plan Act of 2021 Coronavirus State Fiscal Recovery Fund as appropriated by the General Assembly
  - $250M for unserved / underserved broadband areas (HB 320)
    - HB 320 limits awards to $50M before April 1, 2022
    - The first $50 million will be targeted to <u>unserved areas</u>
  - $50M for securing economic development opportunities for commercial and industrial customers (added in HB 382)

What is the Program?

- Broadband Deployment Fund
  - Assist governmental agencies and private sector entities to construct infrastructure for the deployment of broadband service to underserved or unserved areas of the Commonwealth.
  - To provide broadband service to residential, commercial, and industrial customers to secure a sound economy & promote the general welfare of the Commonwealth

What is the Program?

- KRS 224A.011, 112 and 1121 – 2020 Session, modified in 2021
  - Established the Broadband Deployment Fund
  - Set definitions of unserved and underserved areas
  - Defined broadband as any wireline, fixed wireless or fixed terrestrial technology with a capacity to transmit data at a minimum speed of 25 Mbps downstream/3 upstream
  - Set out a grant application process with specific requirements
  - Requires at least a 50% applicant match for projects
  - Allows other federal funds to be used to match projects funded from the appropriation

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What is the Program?

- Federal Guidance on Broadband Projects – issued May 10, 2021
  - Mostly consistent with Kentucky statutes and recent legislation
  - Focuses on unserved and underserved areas
    - Same definition for underserved 25 Mbps downstream/3 Mbps upstream
    - Kentucky's unserved definition is no more than 10 Mbps downstream/1 Mbps upstream
  - Sets a minimum download and upload speed requirement of 100 Mbps
    - Different than Kentucky statutory definition of 25 Mbps downstream/3 Mbps upstream
    - Some exceptions allowed due to geography, topography, or excessive costs
    - Those exceptions must meet minimum of 100 Mbps downstream/20 Mbps upstream and scalable to 100 Mbps upstream

Water Resource Information System

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KIA

What is the Process Sequence?

- Stage 1
  - Request for Information Initiated mid-June as input to RFP/Application
  - Release RFP for Notice of Intent to Apply/Initial Eligible Unserved Areas Map
  - Receipt of Notice of Intent to Apply/Challenge Process
  - Make Notice of Intent to Apply & Project Areas available publicly
  - Receipt of Challenge Requests (challenge of unserved areas)
  - Determination of Challenges and Communication of Determinations

What is the Process Sequence?

- Stage 2
  - Release RFP for Long Application and Updated Eligible Unserved Areas Map
  - Receipt of Applications
  - Receipt of Application Challenge Requests
  - Determination of Challenges and Communication of Determinations
  - Evaluation and Scoring of Responsive Applications
  - Award Offers-KIA Conditional Commitment Letter
  - Final Award

How Will the Projects Be Selected?

- Comply with HB 320 and KRS 224A.1121
  - Projects in unserved areas where local, state, or federal funds are not currently designated or are inadequate (expect most applications to meet these two requirements)
  - Projects that reach the customers that are the least economical to serve (designating the first $50 million to unserved areas)
  - May provide incentive for timely completion
- Other Project Attributes under consideration

Timelines

- Timelines are still under consideration
- Expect Stage I application to be released in June/July

What is Left to Do Before RFP?

- Submission of emergency regulations that comply with recent state legislation and new federal guidance

- Finalize initial eligible unserved area map

- Complete the application development

Questions

- Secretary Jim Gray, Transportation Cabinet

- Director John Hicks, Office of the State Budget Director

- Deputy Secretary Ray Perry, Public Protection Cabinet

- Commissioner Dennis Keene, Dept. for Local Government

- Executive Director Matt Stephens, Dept. for Local Government

- Dep. Exec. Director Sandy Williams, KY Infrastructure Authority

Water Resource Information System

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