



“Shovel-ready” projects—those that are in the final stages of permitting, are ready for bidding, or can be contracted for construction in six to nine months—will receive highest priority when it comes to funding.

FLATTENING THE FUNDING CURVE

FIVE WAYS TO PREPARE YOUR PROJECTS FOR STIMULUS FUNDING

By Robert Garland, PE, PG, ENV SP, DBIA, Regional Manager and Street Lee, PE, ENV SP, President of Engineering

For more than 40 years, McKim & Creed has helped local governments access, maximize and expedite funding that provides safe drinking water, treats wastewater, protects water resources and invests in communities. During this unprecedented time of COVID-19, it is more important than ever that utilities receive the funding they need to maintain infrastructure, preserve jobs and protect populations.

WE ARE HERE TO HELP.

The U.S. government has issued and proposed extensive stimulus packages to help state, local and tribal governments manage their COVID-related expenses. The \$2-trillion Coronavirus Aid, Relief and Economic Security (CARES) Act, signed into law on March 27, 2020, includes a \$150-billion Coronavirus Relief Fund. Monies from this fund are distributed to governments with populations exceeding 500,000 and cover expenses caused by COVID-19 that are not included in the government’s budget and are incurred between March 1 and December 30, 2020.

The Moving Forward Act, unveiled in June and pending legislative approval, is a \$1.5-trillion plan to rebuild infrastructure. The portion of the act that deals with drinking water and wastewater:

- invests over \$25 billion in the Drinking Water State Revolving Fund and other programs,
- invests \$40 billion in new wastewater infrastructure,
- Invests in clean water and wastewater infrastructure to meet the federal government's trust obligations to Indian Country and repairs severely damaged federal canals, and

- unlocks more tax-exempt bond financing for water infrastructure projects.

In their dispersal to communities, these funding vehicles will likely follow State Revolving Fund (SRF) standards. McKim & Creed has helped 25+ utilities secure nearly \$60 million in SRF and Clean Water State Revolving Fund (CWSRF) funding.

WHAT UTILITIES NEED TO KNOW TO RECEIVE STIMULUS FUNDING:

Following are five critical factors to best position projects to receive current and future stimulus funding.

1

ENSURE PROJECTS MEET THE CRITERIA.

The highest priority will be given to "shovel-ready" projects. This includes projects that are in the final stages of permitting, are ready for bidding, or can be contracted for construction in six to nine months. However, as we learned when working on American Recovery and Reinvestment Act (ARRA) projects in 2009, the timelines for "shovel-ready" projects can expand as stimulus programs progress. McKim & Creed can help utilities adapt to evolving schedules to meet funding requirements.

The Moving Forward Act focuses on:

- technologies and treatments that mitigate contaminants such as perfluoroalkyl substances (PFAS) from local drinking water systems,
- new wastewater infrastructure that encourages efficiency and long-term affordability,
- stormwater projects that prevent pollution in local rivers, and
- projects that leverage taxpayer dollars to maximize public benefits.

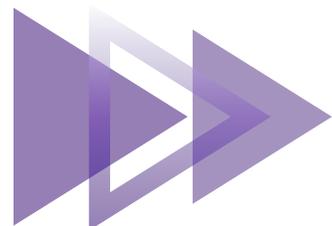
We anticipate that projects that repair failing systems will be given priority over projects that expand systems, but we know for certain that projects that meet the above criteria have the best chance of receiving stimulus funding.

2

MAKE SURE YOUR FACILITIES PLAN IS READY.

To receive federal stimulus money, utilities must develop Facilities Plans that demonstrate the cost/benefit analysis of at least two design alternatives for each project. During ARRA, many utilities were unable to secure funding because their Facilities Plans were not up to date.

Some states may allow abbreviated facilities planning, but the further along you are with your planning, design and permitting, the better your chances to receive stimulus funding. McKim & Creed has earned a reputation for completing prompt, thorough Facilities Plans.





McKim & Creed helped the Orange Water and Sewer Authority in North Carolina repair a 30-inch force main that failed due to corrosion.

3

BUNDLE OR REFINE PROJECTS.

Bundling smaller projects into one larger project may move you up on the priority list. Why? Because a larger project will provide a bigger overall impact to your community. If there are no logical projects to bundle, refine your project scopes to meet the criteria of the stimulus packages as outlined in #1.

As an objective infrastructure specialist, McKim & Creed can help utilities find opportunities to consolidate similar projects.

4

CONSIDER COLLABORATIVE DELIVERY OPTIONS.

Collaborative delivery methods such as design-build can bring faster economic relief to a community and may well serve as a criterion for high-priority projects. Design-build allows construction to begin more quickly, engages supply chain vendors earlier in the process, and puts local companies to work faster.

McKim & Creed has been involved in more than 100 design-build projects and has served as an Owner's Advisor for utility projects approaching \$300 million. If any of your projects are design-build candidates, consider designating an Owner's Representative and assembling your team.



The Moving Forward Act seeks to invest \$1.5 trillion to rebuild infrastructure. This includes roads, bridges, schools, housing, broadband access, and drinking water and wastewater facilities.

The Northwest Regional Water Reclamation Facility expansion in Hillsborough County, Florida, was bundled into the comprehensive Northwest Hillsborough Wastewater Consolidation Program. The overall program retired two 40-year-old facilities and transferred flows to the expanded Northwest plant. Using design-build enabled the County to incorporate design innovations that netted \$10.8 million in added project value.

5

MAKE SURE YOUR MASTER PLAN IS UP TO DATE.

Sustainable projects with a long-term positive impact—both financially and environmentally—will receive higher priority. An updated master plan can reinforce the fact that your project is part of a long-term plan that will meet your community's needs well into the future.

McKim & Creed has completed more than 50 water and/or wastewater master plans, and our Envision Sustainability Professionals can help you improve the sustainability aspects of your pending projects.

FOR MORE INFORMATION

McKim & Creed is working with utilities throughout the Southeast to position their projects for stimulus funding. If we can assist you, please contact us at rgarland@mckimcreed.com or slee@mckimcreed.com.

SOURCES

[Winkler, Andy. "Housing and Infrastructure Provisions in the CARES Act," Bipartisan Policy Center, March 27, 2020](#)

[Gilberto, John J. "What the CARES Act Means to Local and State Government," Cherry Bekaert Guidance, April 8, 2020](#)

[Holzrichter, Mitchell, D., et al. "Summary of CARES Act State and Local Government Relief Provisions," Mayer | Brown, April 2, 2020.](#)

["The Moving Forward Act For the People Fact Sheet," The House Committee on Transportation & Infrastructure, Accessed August 2, 2020](#)

