SDWRLF sustainable Infrastructure Planning projects (SIPP)

Financing for water system planning and related activities that promote sustainable water infrastructure
Why Plan for sustainability?

• Minimize costs by optimizing investment choices, operating water and wastewater systems more efficiently, and pursuing cost-effective investment and management strategies

• Maximize results of investments to ensure continual compliance, a reliable source of water, treatment, and discharge capacity, as well as financing capability

• Improve the ability to analyze a range of alternatives including both traditional and non-traditional infrastructure alternatives

• Garner greater support for the utility by aligning infrastructure choices with community values and sustainability priorities

• Ensure that financial and revenue strategies are adequate to finance, operate, maintain, and replace essential infrastructure throughout its operational life for all community members
Core Planning Elements

• **Goal-setting** — consider goals that reflect utility and community sustainability priorities

• **Objectives and strategies** — establish objectives and strategies for each sustainability goal

• **Alternative analysis** — based on sustainability objectives, analyze a range of alternatives, based on explicit and consistent evaluation criteria

• **Financial strategy** — develop a financial strategy reflecting adequate revenues to ensure alternatives chosen are sufficiently funded, maintained, and replaced over time
SIPP Overview

- Funding up to $20,000 per project
- 100% forgivable loan
- Awards based on annual availability of funds
- Water systems that have received SIPP funds in each of the last two years are not eligible for funds in the current year

Eligible SIPP projects may only receive one (1) SIPP award for any single planning effort

- Projects must be complete within two (2) years of award
SIPP Eligible Activities

- **Feasibility studies** – studies to evaluate infrastructure project feasibility

- **Asset management plan** – plan for managing water system infrastructure assets

- **System partnership studies** – studies to evaluate potential for system consolidation/regionalization

- **Water rate analysis** – analysis of water system rate charges, structure, and adequacy

- **Leak detection studies** – studies to detect water system leakage and identify possible solutions
• **Resilience plan** – plan for water system resiliency and identify a potential improvement project

• **Water system master plan for systems with less than 300 connections** – long-range plan to evaluate the needs of the water system and make recommendations for future improvements

• **Seismic SIPP** – Seismic Risk Assessment and Mitigation Plan (water system master plans for systems with 300 to 3,300 connections; reference OAR333-061-0060 (5)(a)(J) and earthquake sensitive area map)
SIPP application process

• To be considered for rating and ranking, water systems may submit an application to a Business Oregon Regional Development Officer

• Completed applications will be rated and ranked by the Oregon Health Authority (OHA) to be included in the project priority list

• OHA will post complete applications for a 10-day public notice period

• Priority project applications may enter a financing contract with Business Oregon to complete project activities
SIPP Evaluation Criteria (100 pts)

- (30 pts) **system size** – priority will be given to systems with less than 300 connections

- (20 pts) **capital improvement history** – length of time since the most recent significant improvement to the system was made

- (20 pts) **future project potential** – reasonable expectation that activities funded will result in a future infrastructure project

- (20 pts) **readiness to proceed** – project activities must be ready to begin within 90 days of award funding notification and completed within 1 year

- (10 pts) **priority deliverable** – feasibility studies, asset management plans, system partnership studies, and resilience plans will be given higher priority

**Note:** Seismic SIPP projects are not to be evaluated with the above criteria and are funded on a first-come, first-serve basis
Asset management

Projects should consider activities that improve water system asset management practices such as:

- Creating asset management plans, inventories, or tracking systems
- Linking budget and accounting with asset information
- Evaluating asset repair vs. replacement
- Performing staff level failure risk analysis
- Engaging in a Sustainable and Effective Utility Management Self-Assessment
Projects should consider activities that engage water system stakeholders such as:

- Stakeholder consultation about customer satisfaction or utility goals, objectives, and management decisions
- Consult with utility employees about the value stakeholder input has provided to utility projects and activities
- Compare water rates with similar water system types
- Capture media portrayal of the utility in terms of awareness, accuracy, and tone
SIPP resources

• Oregon Resilience Plan
• Sustainable Practices for Water Utilities
• Sustainable and Effective Utility Management
• EPA Asset Management Resources