



New Mexico Environment Department

Environmental Infrastructure Funding





Overview

- Clean Water State Revolving Fund (CWSRF)
- Sewer Overflow and Stormwater Grant (OSG)
- Rural Infrastructure Program (RIP)

Clean Water State Revolving Fund

- ❑ Established in 1987 under the Clean Water Act for:
 - ❑ Publicly owned treatment works
 - ❑ Non-point source management
- ❑ In 50 states and Puerto Rico
- ❑ CWSRF Bipartisan Infrastructure Law funds come through this program.



CWSRF - What it can do

- ❑ Federally Capitalized by EPA
- ❑ Low-cost financing for a wide range of wastewater and storm water projects
- ❑ Interest rates between 0% and 0.01% for public entities with up to 30-year repayment term
- ❑ Subsidy (grant) available
- ❑ Year-round online application
- ❑ Historically used to fund wastewater projects



CWSRF

- CWSRF receives a federal capitalization grant from EPA annually and NMED can use 40% of that amount as grant for communities—all the rest of the funding is low interest loans.
 - Typical award is \$7.5 million (\$3 millions for grant)
 - Interest rate for State Fiscal Year 2024 is 0.01% unless the entity qualifies for 0% statutorily.



Water Infrastructure Funding through the Bipartisan Infrastructure Law (BIL)

- CWSRF is the funding vehicle for Bipartisan Infrastructure Law (BIL) funding.
- BIL funding is coming in the form of additional capitalization grants for 5 years. 49% can be awarded as grant.
 - \$8.7 million-received (\$4.2 million grant) FFY22
 - \$10.4 million - received (\$5.1 million grant) FFY23
 - \$11.4 million (\$5.6 million grant) FFY24
 - \$12.3 million (\$6 million grant) FFY25
 - \$12.3 million (\$6 million grant) FFY26
- Amounts subject to change-we must apply for all allotments



CWSRF BIL

- Federal Focus is on funding for disadvantaged communities
- Some projects will have federal requirements for the construction and engineering procurement based on funding source – details provided at time of loan
- Increased federal and state resources for technical assistance
Example: Closing Wastewater Access Gap Pilot
- Below market-rate loans and increased grant funding 49% of state allocation to go toward subsidy for disadvantaged communities



CWSRF

- Applications are for the program, not specifically for BIL funds.
- All applications are ranked by water quality benefit by:
 - NMED Surface Water Quality Bureau
 - NMED Ground Water Quality Bureau
 - NMED CPB technical staff for sustainability and readiness to proceed.
- All applicants have affordability criteria evaluated-to be eligible for grant funding including:
 - Population Trends
 - Employment
 - Income data in form of user rates



CWSRF Eligible Projects

- Eligibilities have been expanded to include
 - Stormwater projects
 - Energy Efficiency at wastewater facilities
 - Water Efficiency—wastewater
 - Habitat protection and restoration
 - Landfills
 - Agricultural Best Management Practices
 - Projects to address Emerging Contaminants



CWSRF Eligible Projects

- Security Measures at Publicly Owned Treatment Works
 - Addressing cybersecurity
 - Fencing
 - Security Cameras/motion detectors
 - Security lighting



CWSRF Eligibilities



Recent Applications

- ❑ Albuquerque Bernalillo County Water Utility Authority for \$5 million
- ❑ Village of Jemez Springs \$5 million
- ❑ Town of Clayton for \$1 million
- ❑ Estancia Valley Solid Waste Authority \$2 million
- ❑ And more!



CWSRF Projects

Village of Angel
Fire CWSRF 107

WWTP
Improvements
Project

Total Project
Cost:

\$9,799,598





CWSRF Projects

- Los Alamos County CWSRF 110
 - ▣ Design and Construction of New Wastewater Treatment Plant. Total Project Cost:\$25,000,000.





CWSRF Finance

Who

- Municipalities
- Counties
- Water and Sanitation Districts
- Mutual Domestic Water Associations

How

- Direct Loans
- Pass-throughs
- No Match**
- Year-round Application**



CWSRF Math Examples

0.01% interest Rate

- ❑ \$2 Million borrowed
- ❑ 20-year repayment
- ❑ 0.01% interest rate
- ❑ Annual Payment
\$100,105.03
- ❑ Total interest paid
\$2,100.69

VS. 3% interest rate

- ❑ \$2 Million borrowed
- ❑ 20-year repayment
- ❑ 3% rate
- ❑ Annual Payment
\$134,431.42
- ❑ Total Interest Paid
\$688,628.26

- **\$34,326.39 annual savings, \$686,527.57 total savings.**



OSG – Stormwater grants

- Similar eligibilities to CWSRF
- 100% grant, depending on disadvantaged status, there may be a match component.
 - Water Trust Board, Capital Outlay, and CWSRF can qualify as match
- Currently, small allotments, hoping recent CWNS survey will increase funding.



CWSRF

- Applications for all funding sources (CWSRF, BIL, Emerging Contaminants, and Stormwater) are accepted through the CWSRF application.
- Applications accepted year-round.
- Applications do not create an obligation.
- There are no match funds required.
- We are happy to work with other funding sources, and that is the best way to maximize grant dollars for your community.
- Talk to us about your projects.



CWSRF Annual Report



Rural Infrastructure Program

- Maintained by revolving program.
- In the 2023 legislative regular session, House Bill 2 awarded \$10 million dollars to the RIP fund to be used for future projects.
- Interest rates for RIP loans are set at the discretion of the Secretary of the Environment Department (20.7.2.204 NMAC). The interest rate was reduced to 1% effective April 2023.



RIP What it Provides

- ❑ Serves municipalities or entities with population less than 20,000 or counties less than 200,000
- ❑ 1% Interest rate
- ❑ Funds a variety of Water, Wastewater, and Solid Waste Projects.
- ❑ Quick turnaround



RIP Finance

Who

- Counties <200K
- Municipalities <20K
- Water and Sanitation Districts
- Mutual Domestic Associations

What

- Water
- Wastewater
- Solid Waste



RIP Projects

Town of Red
River RIP
00038

\$ 1,740,000
total funding

- Waterline replacement under Main Street





RIP Projects

Southwest Solid Waste Authority
RIP 00037

Purchase Trash Compactor for
Solid Waste

Total funding: \$595,000.





RIP Annual Report





CPB Technical Services

- Technical Services staff provides guidance for our clients on all aspects of their proposed project, including:
 - Attend meetings with communities, consulting engineers and construction contractors;
 - Review Preliminary Engineering Reports, Environmental Information Documents, and Plans and Specifications to ensure conformity with local, state and federal requirements;
 - Make regular site visits during the construction phase of the project to review construction progress and conformity with funding requirements; and
 - Review and approve payment requests



Infrastructure Development Report

- Annually the Construction Programs Bureau publishes an Infrastructure Development Report. The report provides an overview of projects in progress for the Clean Water State Revolving Fund, the Rural Infrastructure Revolving Loan Program, and the Capital Outlay Program. The Report also provides a synopsis of each active project involving the Construction Program Bureau.





Feedback/Questions

- We are aware of the issues that each system face and are here to work with you.
 - ▣ Affordability
 - ▣ Regionalization
 - ▣ Rates
 - ▣ Technical Assistance



Stay Connected

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