

INFRASTRUCTURE AND INVESTMENT JOBS ACT

An overview of the U.S. government's historic \$1.3trillion legislative package

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Infrastructure and Investment Jobs Act

On November 15, 2021, President Biden signed the bipartisan, once in a generation, \$1.3 trillion Infrastructure and Investment Jobs Act (IIJA).

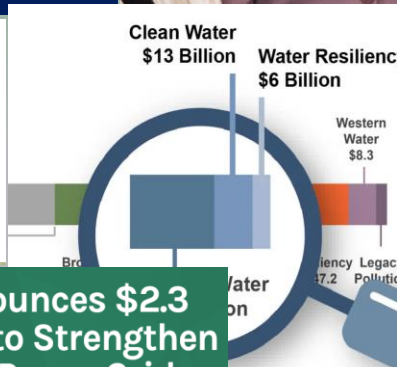
FHWA releases \$60B to states, funds 3 new programs

The Infrastructure Bill Has \$65 Billion for Broadband Deployment Now What?

The Infrastructure Investment and Jobs Act provided \$65 billion for broadband deployment and affordability. Now it's up to policymakers to partner with American businesses to make it happen.

Alaska and California Receive Over \$200M from DOT for Port Upgrades

Biden Administration Announces \$2.3 Billion for States and Tribes to Strengthen and Modernize America's Power Grid



DNR restores first 20 Louisiana orphaned well sites with bipartisan infrastructure funding

Republican and Democratic States Eager for Funding

Officials are eager to boost their state's resiliency, broadband access, and transportation infrastructure

"We have a historic opportunity to electrify—to decarbonize—and promote environmental justice in our supply chains,"—Sen. Alex Padilla (CA)

"Whether it's the interstate system, whether it's county roads, whether it's bridges, whether it's the rail system, the airports — there's just going to be a **tremendous opportunity** to build our infrastructure here, and really build our state."—Missouri Gov. Mike Parson

"We make ourselves **more resilient** to the natural disasters we see far too often"—Kentucky Gov. Andy Beshear

"It will make our economy more competitive abroad and more resilient to **meet the needs of the future** and help tackle the climate crisis."—New Mexico Gov. Michelle Lujan Grisham

"Roads, bridges, broadband: these funds will help create jobs and strengthen our country and economy."—North Carolina Gov. Roy Cooper



Infrastructure Investment and Jobs Act (IIJA) Highlights (Spending over 5+ years)

Transportation constitutes 50% of IIJA

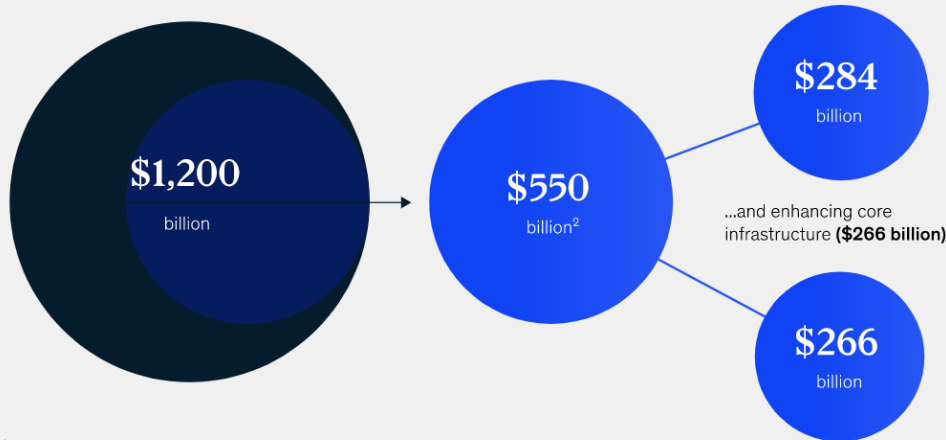
Save S Bipartisan Infrastructure Law will authorize \$550 billion in new spending.

Bipartisan Infrastructure Law (BIL) investments

The act allocates about **\$1.2 trillion**¹ over 10 years ...

...including **\$550 billion** in new spending...

...divided between improving the surface-transportation network (**\$284 billion**)...



¹Fact sheet: President Biden announces support for the Bipartisan Infrastructure Framework," June 24, 2021, whitehouse.gov.

Source: McKinsey; White House Fact Sheet

The act allocates an estimated \$1.2 trillion in total funding over ten years, including \$550 billion in new spending during the next five, divided between improving the surface-transportation network (\$284 billion) and society's core infrastructure (\$266 billion).

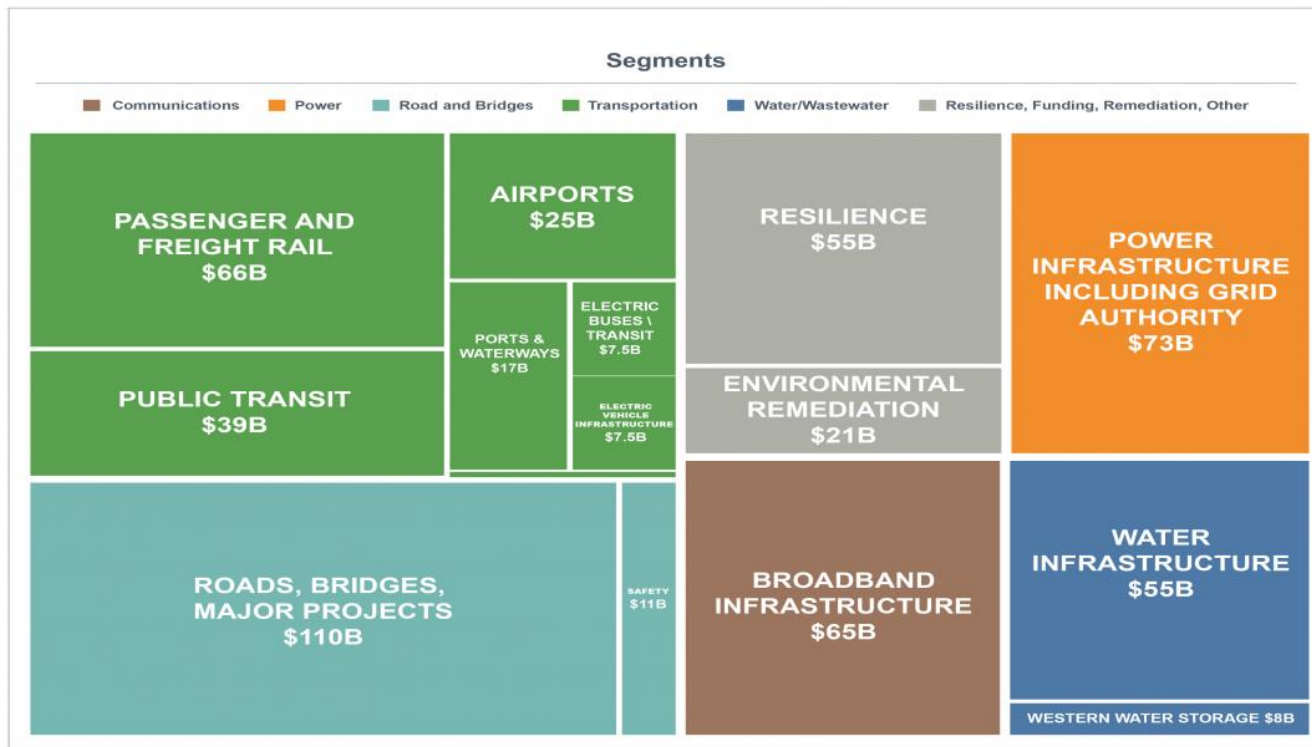
Transportation

284

Roads, bridges, major projects	110	39	Public transit
Passenger and freight rail	66	15	Electric-vehicle (EV) infrastructure, buses, and transit
Airports, ports, and waterways	42	11	Safety
		1	Reconnecting communities

Infrastructure Investment and Jobs Act (IIJA) Highlights

Expanding the definition of infrastructure to include electrification, resiliency, digital.



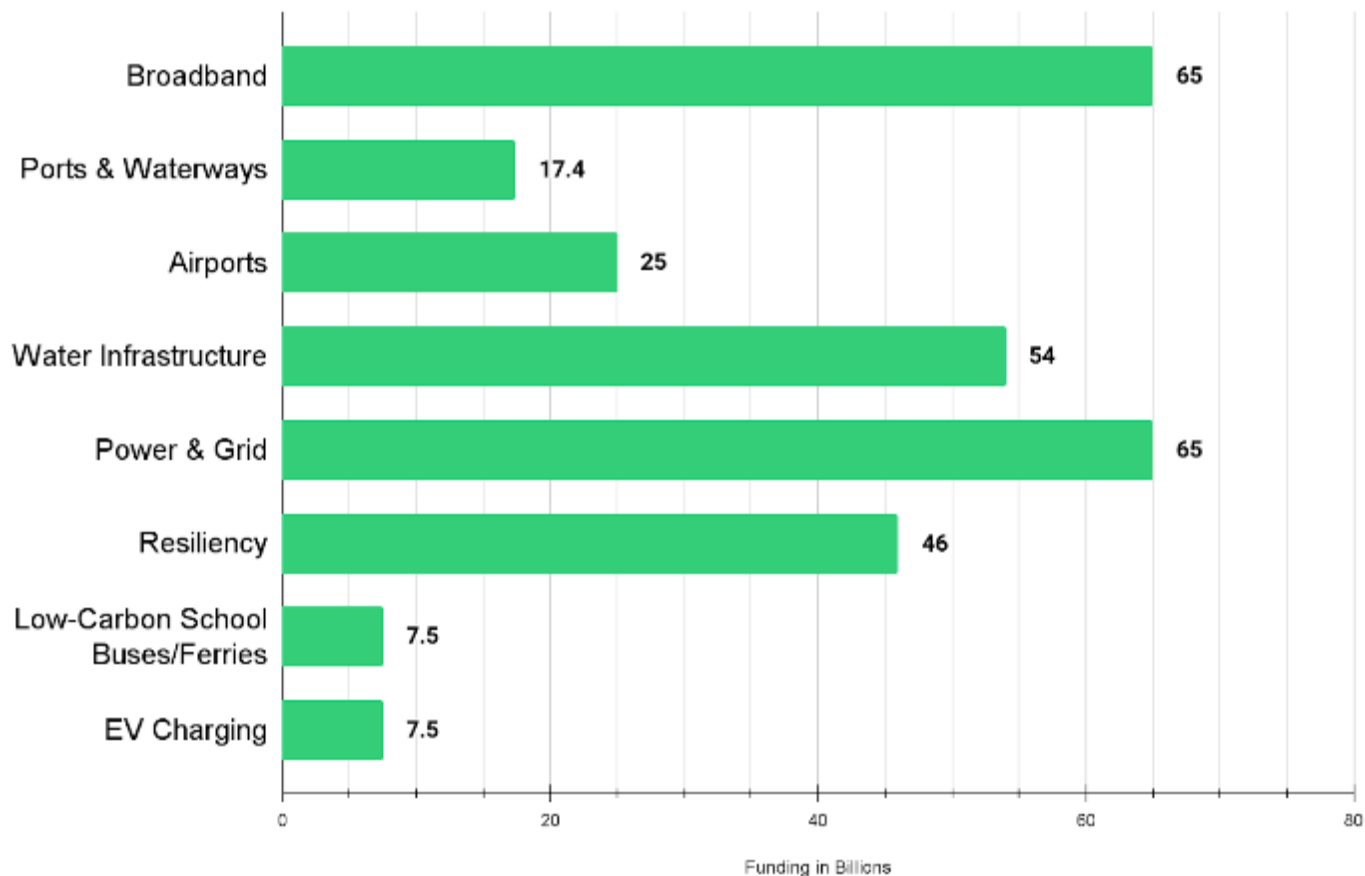
Segment, Billion and Category. Color shows details about segment. Size shows sum of Billion. The marks are labeled by Segment, Billion and Category. Details are shown for Category.

- After traditional highway funding, power & grid emerged with the most funding - \$73B
- Water and wastewater received the largest ever federal funding injection of \$55B and \$8B for western water issues
- Transmission, microgrids, distributed energy resources, hydrogen and other Department of Energy programs - \$107B
- Most funding is going directly to states & localities
- All numbers are over a 5–6-year period

Life Is On



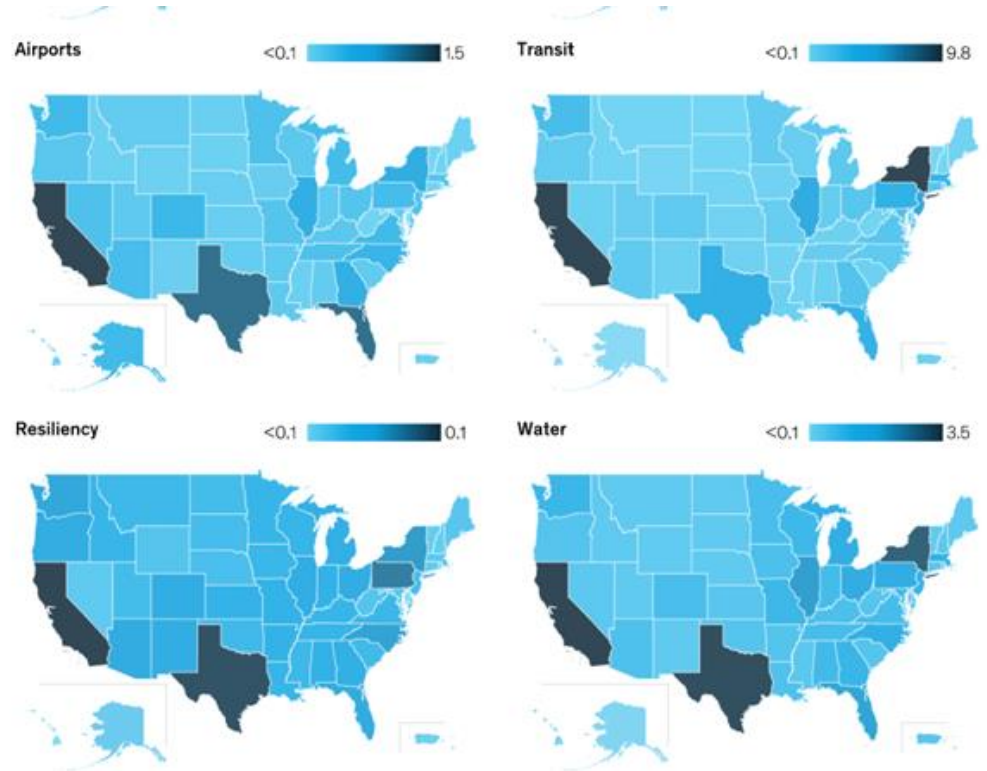
Infrastructure Investment and Jobs Act (IIJA) Highlights (Spending over 5+ years)



State by State – where is money flowing?

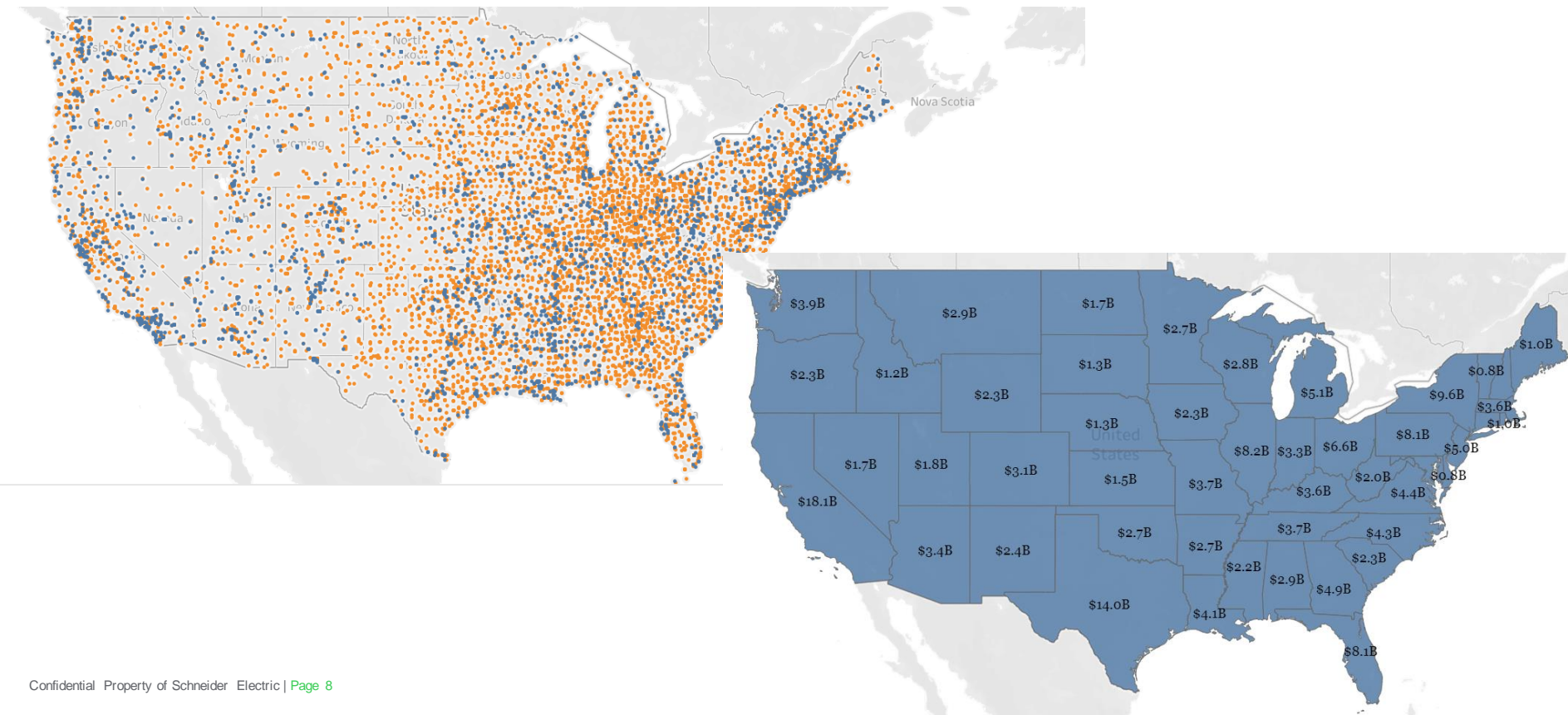
California, Texas, New York State, Florida, Georgia, Illinois as top states receiving money

Some \$300 billion in formula grants (including allocations to the Highway Trust Fund) will be disbursed through the IIJA. These formula grants provide predetermined funding to states based on various factors (for example, population size). Most formula-based funding is dedicated to roads and bridges—and most of that is dedicated to the two states with the most highway infrastructure: Texas and California.



1 Year Since IIJA Enactment

BIL Progress Map



Funding by Agency – DOT managing over 50%

Mix of Formula and Competitive Grants, Loans, and Agency Programs

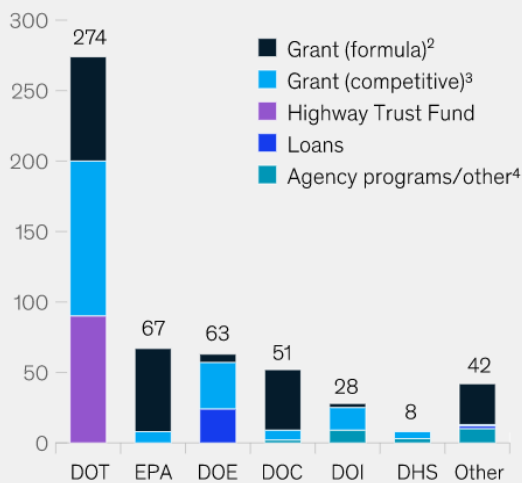
Expanding agency budgets

The Department of Transportation will direct the largest portion of the act's investments. Several other agencies will also see their budgets expand. Investments will go to five main areas: agency programs and operations, grants calculated by a formula, competitive grants, loans, and the Highway Trust Fund.

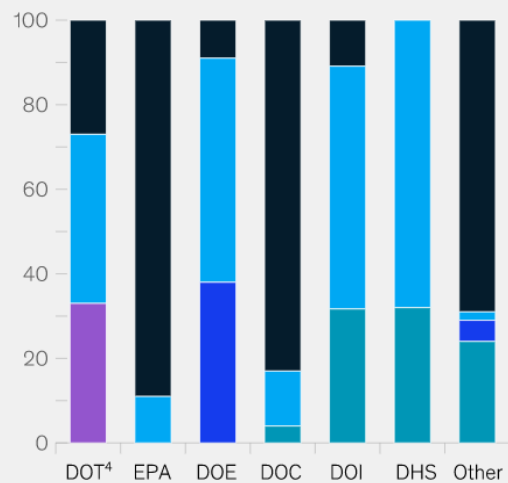
The Department of Transportation will direct more than half of all new funding under the US Infrastructure Investment and Jobs Act.

Infrastructure Investment and Jobs Act (IIJA) new funding, by federal department¹

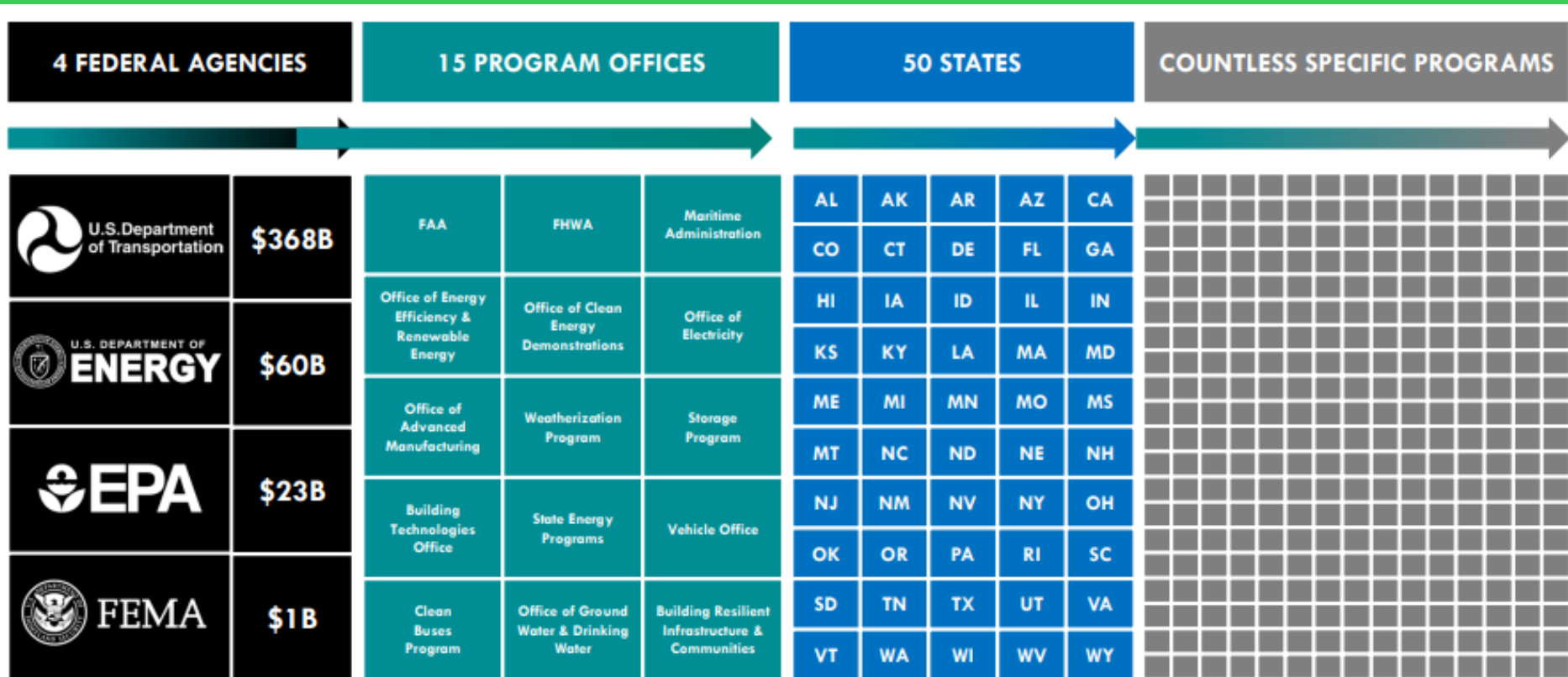
Funding type, \$ billion



Funding type, % share



Flow of Infrastructure Funds – Federal to State & Local



Department of Energy – Dollars to help Schools

Energy Efficiency & Renewable Energy School Grants - \$500M

- Competitive grant funding, EERE + vehicle upgrades and improvements at public schools.
- Eligible: Consortia of education agencies, schools, nonprofit and for-profit orgs, community partners. NO match.
- Applicants must include work plan; Priority given to projects that leverage private sector investment through **energy-related performance contracting**.

State Energy Programs (SEP) - \$500M

- Electrification and resiliency; transportation electrification and distribution planning have been added to this list of eligible uses.
- Formula funding

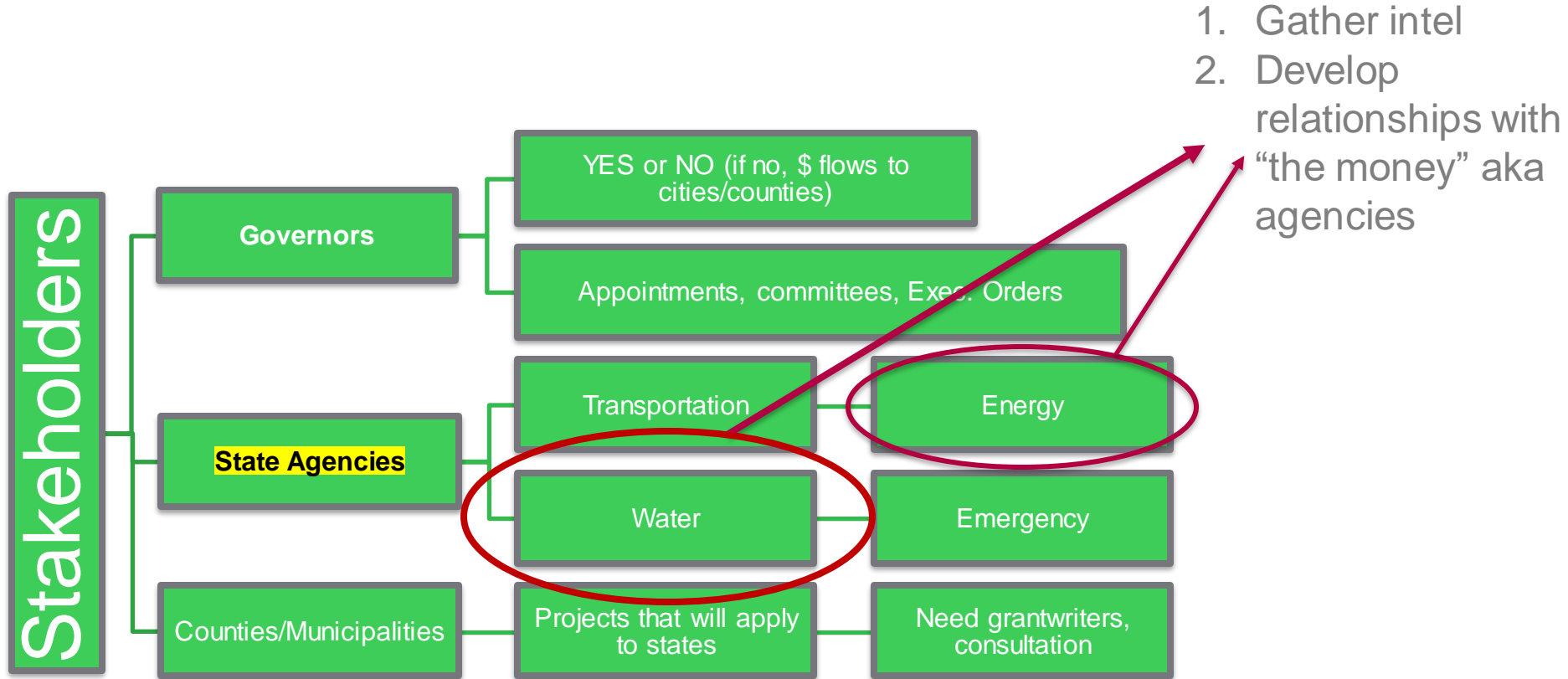
Energy Efficiency and Conservation Block Grant Program (EECBG) - \$550M / formula, efficiency and ESPC projects

- Funding for cities, towns, and villages to develop energy efficiency projects and renewable energy technologies
- Formula funding – now being released; states can apply through July 2023; local governments/tribes through January 2024.

Clean School Bus Program - \$5B

- For replacement of existing school buses with clean, zero-emission or low-emission buses
- Competitive grant (or rebate) funding; 50% reserved for zero-emission buses & 50% for clean and zero-emission buses; funding can be for up to 100% of costs for eligible recipients

How to Position Yourself in a State



Strategizing around “Follow the Money”

Implementation of these programs requires stakeholder collaboration and early planning

Opportunities:

- **Identify** top cities and states where funding flow, and build sales/GR presence there
- **Collect** intel (e.g., what projects will be funded, what timeline, when to apply)
- Utilize **grant writing** assistance and other resources for customers and municipalities
- **Earmarks** in appropriations

Challenges:

- Buy America, Made in America domestic content requirements
- Many new/transformational federal grants require \$\$\$ for grant writers, partnerships and sharing the cost match/cost share essential
- Push digitization/modern infrastructure at the state procurement level

Any Questions?

IIJA Implementation Team



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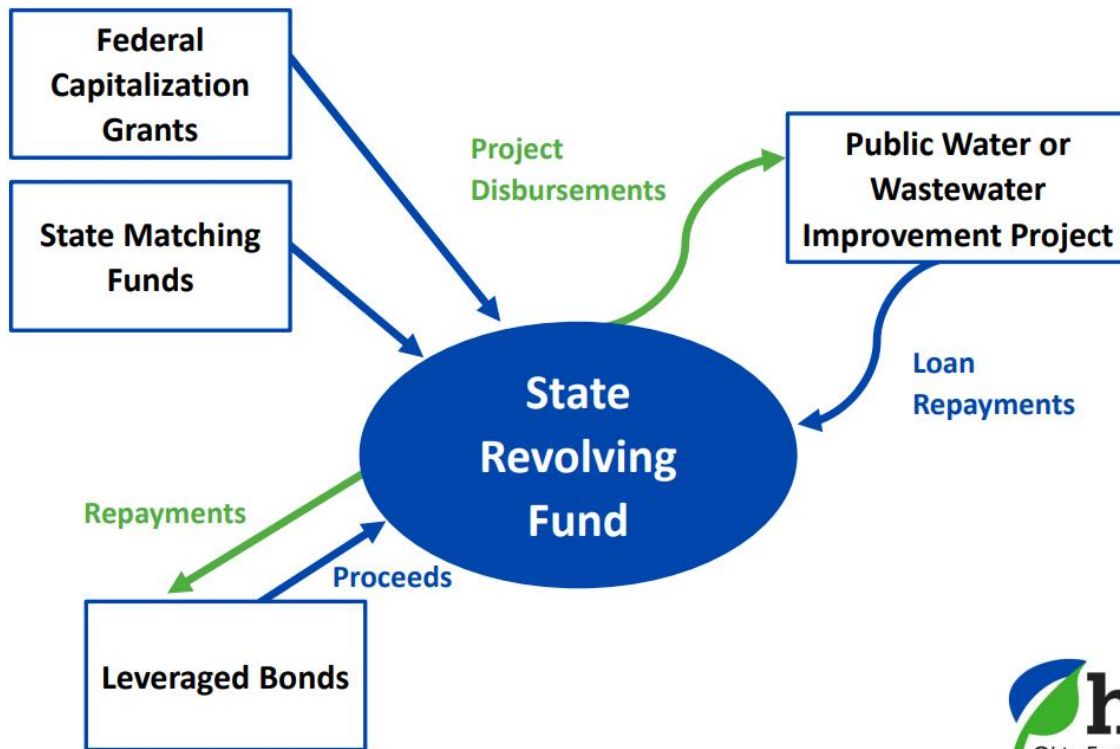
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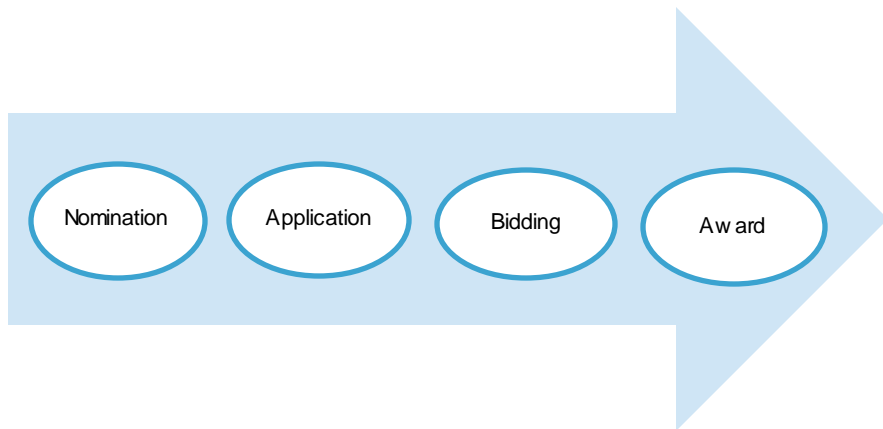


State Revolving Funds – Spotlight on Water

Clean Water (CWSRF) & Drinking Water (DWSRF)



SRF Funding Process & Eligibility



- Applications must be submitted for inclusion in state IUPs
- States publish Project Priority Lists (PPLs) for inclusion in IUPs
- States must submit IUPs for approval by EPA
- Funding is awarded based on PPL

Applicant & Project Eligibility?

- Public & privately-owned community water systems, as well as nonprofit non-community systems, are eligible to apply

CWSRF

- **Decentralized wastewater treatment systems:** To construct, repair, or replace decentralized wastewater treatment systems
- **Water conservation, efficiency, and reuse:** To reduce the capacity of POTW by reducing demand
- **Energy efficiency:** To reduce the amount of energy used by a POTW

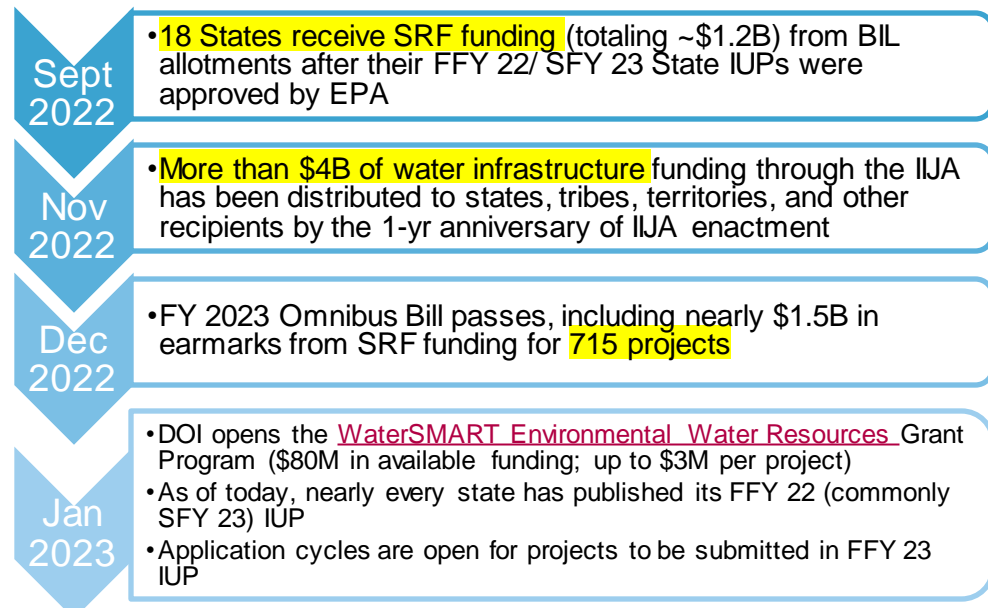
DWSRF

- **Source:** Rehabilitation of wells or development of eligible sources to replace contaminated sources
- **Storage:** Installation or upgrade of finished water storage tanks to prevent microbiological contamination from entering the distribution system
- **Consolidation:** Interconnecting two or more water systems

Federal/State Updates in the WWW World

IIJA Program Updates, FY 23 Omnibus Passage, Buy America

IIJA Timeline Overview & Updates



What do earmarks mean for SRF funding?

Program	Capitalization grant	Earmarks	State allotment
Clean Water	\$1,638,861,000	\$863,108,642	\$775,752,358
Drinking Water	\$1,126,101,000	\$609,255,899	\$516,845,101
Total	\$2,764,962,000	\$ 1,472,364,541	\$1,292,597,459

- Earmarks come out of allocated SRF funding, not additional funding
- Earmarks act as grants rather than loans

Examples across the nation

Achieving much needed upgrades & investments in our water systems

- **Treatment, Supply, Storage, Distribution:** In Putnam County, Florida, DWSRF funding provided a grant of \$9.78M for installation of a new 0.93 MGD Reverse Osmosis Water Treatment Plant, two 900 gpm wells, water storage tanks, and distribution piping.
- **Decentralized wastewater treatment system:** In South Monmouth, New Jersey, state revolving funds were used to provide short-term financing to the South Monmouth Regional Sewerage Authority (SMRSA) as an advance for assistance from the Federal Emergency Management Agency to build three resilient pump stations servicing several coastal communities impacted by extreme weather events. The funding supported the purchase of two mobile resilient pump stations and one pump replacing an older station located in a 100-year flood zone. This support helped SMRSA save an estimated \$1.9 million in short- and long-term interest costs and reduce the level of disruption caused by severe storms in coastal communities.
- **Energy efficiency project:** The City of Struthers, Ohio received \$5.4 million for a project that uses methane gas to power treatment processes at the Struthers Water Pollution Control Facility to reduce the facility's energy footprint.



Life Is On

