

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

- Up to \$320,000 total available for all projects per year
- Funding up to \$20,000 per project
- 100% forgivable loan
- No more than one award per community
- Awards based on availability of funds – up to \$80,000 per quarter
- Project must begin within 90 days of award notification and completed within 1 year
- Up to 25% of funds may be used for required:
 - asset management activity
 - community engagement component

SIPP ELIGIBILITIES

- 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
- Resilience plan – plan for water system resiliency and identify a potential improvement project
- 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
- 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

SIPP EVALUATION CRITERIA (100 PTS)

- (30 pts) **system size** – priority will be given to systems with less than 300 connections
- (20 pts) **readiness to proceed** – project activities must be ready to begin within 90 days of award funding notification and completed within 1 year (Application page 2, Project Workplan)
- (10 pts) **priority deliverable** – feasibility studies, asset management plans, resilience plans, and system partnership studies will be given higher priority (Application page 8, part A)
- (20 pts) **capital improvement history** – length of time since the most recent significant improvement to the system was made (Application page 8, part D)
- (20 pts) **future project potential** – reasonable expectation that activities funded will result in a future infrastructure project (Application page 8, part E)

ASSET MANAGEMENT

Each project must include an activity that improves 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

COMMUNITY ENGAGEMENT

Each project must include an activity that engages 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 utility rate with similar water system types
- Capture media portrayal of the utility in terms of awareness, accuracy, and tone



SIPP APPLICATION PROCESS

- Water systems may submit a letter of interest (LOI) to be considered for rating and ranking
- Completed letters of interest will be rated and ranked by the Oregon Health Authority (OHA) to be included in the project priority list
- Priority projects will be invited to complete the funding application process with Infrastructure Finance Authority (IFA) after a 30-day public notice period
- Approved funding applications may enter a financing contract with IFA to complete project activities

SIPP RESOURCES

- [Oregon Resilience Plan](#)
- [Sustainable Practices for Water Utilities](#)
- [Sustainable and Effective Utility Management](#)
- [EPA Asset Management Resources](#)