

*Imagine that!*

**FUNDING**  
your project.



# Funding Challenges



# Funding Challenges

## Impact



Funding Challenges  
Impact  
**ALL OF US!**



# Traditional Expectations **vs.**



Traditional Expectations  
**vs.**  
Today's Reality



# Project Duration



# Project Duration

Conception to Ribbon-cutting



# Project Duration

Conception to Ribbon-cutting

Then

2-3 Years

>

Now

5-9 Years



# Project Scope



# Project Scope

Then  
2<sup>o</sup> Treatment  
&  
Disposal

>

Now  
Advanced  
Treatment  
&  
Reuse



# Project Complexity

## **Regulatory Requirements**

- Tighter Effluent Limits
- Wasteload Allocations
- TMDLs

## **Technological Advancements**

- Membrane BioReactors, etc.

## **Beneficial Use / Conservation**

- Harvest the Resource
- Transfer of Capital Impact



# EPA SRF Appropriations

Then

\$2.0

Billion

Now

\$689

Million

**12%**



# Overall Costs



# Overall Costs

Then  
\$1M

=

Now  
\$2.35M



# Post-Project User Fees



# Post-Project User Fees

Then

\$8-12  
per month

>

Now

\$35-55  
per month



# Funding Vehicles / Approaches



# Funding Vehicles / Approaches

Then

2-3

EPA Grant/Loan  
State Grant/Loan  
Matching Funds

Now

5, 10, 15...

State Grants  
State Loans  
Community Block Grants  
Economic Development  
Matching Funds  
Private Reserve Purchases  
Public Bonds  
Private Bonds / Investors  
Private Capacity Purchases  
...  
*and multiple iterations of each!*



**So what can we do?**



# Creative Approaches



# Creative Approaches &



# Creative Approaches & Tenacity!



# Traditional Funding Resources for Public Facility Projects



# Traditional Funding Resources for Public Facility Projects

**Idaho Department of Water Resources**

Brian Patton • (208) 287-4837

**USDA Rural Development**

Dave Fletcher • (208) 378-5617

*Contact your Regional Office*

**Department of Environmental Quality**

Tim Wendland • (208) 373-0439

*Contact your Regional Office*

**Army Corps of Engineers**

Mark Mendenhall • (208) 345-2064

**Department of Commerce**

Dennis Porter • (208) 334-2650 ext. 2145

**Idaho Bond Bank/Seattle Northwest Securities**

Eric Heringer • (208) 334-8561



# Eastern Idaho Regional Wastewater Authority Owner / Partnerships



# Eastern Idaho Regional Wastewater Authority Owner / Partnerships

**Initial**

Shelley



# Eastern Idaho Regional Wastewater Authority Owner / Partnerships

## Current

Shelley

Ammon

Bonneville County

Bingham County

IBSD

Melaleuca

Andco Trucking

Love's



# Eastern Idaho Regional Wastewater Authority Owner / Partnerships

## Current

Shelley

Ammon

Bonneville County

Bingham County

IBSD

Melaleuca

Andco Trucking

Love's

## Future

Firth

Basalt

Basic American

Idaho Supreme





# Eastern Idaho Regional Wastewater Authority Funding / Financing



# Eastern Idaho Regional Wastewater Authority Funding / Financing

## IDEQ

Grant	\$	110,000
Grant	\$	472,000
Loan 1	\$	6,000,000
Loan 2	\$	15,000,000
Loan 3	\$	2,000,000
Loan 4	\$	5,000,000
Loan 5	\$	3,500,000



# Eastern Idaho Regional Wastewater Authority Funding / Financing

## Local Cash Contributions

Shelley	\$	600,000
Shelley	\$	400,000
Ammon	\$	1,500,000
EIRWA	\$	110,000 (5+)
EIRWA	\$	446,000 (5+)



# Eastern Idaho Regional Wastewater Authority Funding / Financing

## Corps of Engineers

595 Grant	\$ 914,000
595 Grant	\$ 5,400,000
595 Grant	\$ 1,100,000
595 Grant	\$ 2,750,000



# Eastern Idaho Regional Wastewater Authority Funding / Financing

## Public / Private Partnerships

ICDBG Grant	\$	500,000
ICDBG Grant	\$	500,000
ICDBG Grant	\$	500,000
Melaleuca / Andco	\$	1,500,000
Love's	\$	350,000
Melalueca	\$	1,000,000



# Eastern Idaho Regional Wastewater Authority Funding / Financing



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# Eastern Idaho Regional Wastewater Authority Funding / Financing



Eastern Idaho Regional Wastewater Authority  
Funding / Financing

**12 Years**



Eastern Idaho Regional Wastewater Authority  
Funding / Financing

**12 Years**

**\$ 49,000,000**



Eastern Idaho Regional Wastewater Authority  
Funding / Financing

**12 Years**

**\$ 49,000,000**

**Over 30 Financial Packages**



Eastern Idaho Regional Wastewater Authority  
Funding / Financing

**12 Years**

**\$ 49,000,000**

**Over 30 Financial Packages**  
*to date!*



A few observations ....



Can I build my project for  
5 cents on the dollar?



Can I build my project for  
5 cents on the dollar?

Leveraging funding essential.



Great projects don't guarantee  
success....



Great projects don't guarantee  
success....

Passionate leaders do.



# Public / Private Partnerships



Public / Private Partnerships  
can make all the difference.



Case Study

# Pioneer Irrigation System Wenatchee, WA

## \$3 million Irrigation System

### **The Need:**

- Protection of fish habitat vs. need for irrigation
- Inefficient open-channel irrigation system (60-70% losses)

### **The Challenge:**

- Conflict between environmentalists vs. historic water users
- *“Who should pay?”*

### **The Solution:**

- Strategic Partners – Trout Unlimited + Pioneer Water Users
- Win-win solution turned antagonists into advocates

And...



- **Leveraged multiple funding sources**

- Washington Department of Ecology-Office of Columbia River

- Washington State Recreation and Conservation Office-Salmon

- Recovery Funding Board

- Confederated Tribes and Bands of the Yakama Nation

- Washington State Conservation Commission-Irrigation Efficiencies Program

- Grant County Public Utility District-Priest Rapids Coordinating Committee

- Bonneville Power Administration-Fish and Wildlife Program

- Chelan and Douglas County's Tributary Committee

- United States Fish and Wildlife Service-Western Native Trout Initiative

- United States Department of Interior-Bureau of Reclamation

- National Fish and Wildlife Foundation-Columbia Basin

- Water Transactions Program

- Cascadia Conservation District

- Chelan County Department of Natural Resources-Watershed Planning

- Washington State Department of Fish and Wildlife

- Trout Unlimited

- Pioneer Water Users



Conflict can be an asset.



Conflict can be an asset.

Turn your project adversaries  
into project advocates.



Know true cost of



Know true cost of  
the “no action” alternative



Take a step forward ... avoiding  
two steps backwards.



Case Study

## Town of Star Valley Ranch, WY \$15 million Water System Improvements

### **The Need:**

- Deteriorated water system
- Over-committed supply

### **The Challenge:**

- HOA owned system (\$1 million)
- Improvement needs vs. low HOA rates (set by bylaws)

### **The Solution:**

- HOA became a project advocate  
(sold system to Town for \$1)
- “Do nothing” more costly than pipe reconstruction
- Leverage multiple funding sources  
(10 state and federal funding packages)
- Fully prepared for funding opportunities



Is my reuse project



Is my reuse project  
really a reuse project?



Case Study

## City of Grants, NM

### **\$15 million WWTP + Water Reuse System**

**The Need:**

- WWTP discharging into a “no-discharge” receiving stream
- Successful legal action by Native American tribes
- Court order to correct the problem.

**The Challenge:**

- Low Income community (bottom 2% in NM)
- Need to maintain affordable rates

**The Solution:**

- Redefined project as legal, environmental, economic development, recreational, and conservation to meet funding criteria
- Gained support of previous antagonists
- Leveraged multiple funding sources (17 funding packages)



Think broad-based



Case Study

## Marbleton, WY

### **\$6.5 million WWTP and Reuse Project**

**The Need:**

- WWTP capacity and TMDL compliance problems

**The Challenge:**

- Environmental compliance vs. Rate-payer affordability

**The Solution:**

- Partnership with Town of Big Piney (aging WWTP)
- Consolidated new WWTP
- Reduced combined operational and capital cost savings to offset rate impacts
- Retain Big Piney lagoons for reuse storage



# Existing indebtedness



Existing indebtedness  
is not always a negative.



Case Study

## City of Holladay, UT

### \$3.0 million Fire Station

**The Need:**

- Existing fire station condemned!

**The Challenge:**

- Policy makers politically committed to “*no new taxes*”
- City still paying off previous bonds for new City Hall
- Limited funding opportunities for fire stations

**The Solution:**

- Refinance City Hall bond at lower rate, extended period
- Offset increased loan payments with elimination of “temporary” fireman housing



Funding agencies are  
in the business  
of saying “**Yes**” to projects.



Funding agencies are  
in the business  
of saying “**Yes**” to projects.

When they say “**No**” to you,



Funding agencies are  
in the business  
of saying “**Yes**” to projects.

When they say “**No**” to you,  
they are busy saying “**Yes**”  
to the other guy.



Be Creative.



**Be Creative.**

**Be Proactive.**



**Be Creative.**

**Be Proactive.**

**Be Persistent.**



Be Creative.

Be Proactive.

Be Persistent.

Be that “**other guy**”.

FORSGREN  
*Associates Inc.*



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Case Study

# Water and Sewer District Bedford, WY

## \$3 million Water System Improvements

### **The Need:**

- System strained by growth

### **The Challenge:**

- Board directive – *“No rate increase for current users”*
- Low income rate payers

### **The Solution:**

- Redefined project to match funding opportunities  
(*Economic Development*)
- Leveraged multiple funding sources  
(5 state and federal funding packages – over 90% grant)
- Patience and tenacity (5+ years to put funding in place)