**WIFIA Letter of Interest Instructions**

A prospective borrower seeking Water Infrastructure Finance and Innovation Act (WIFIA) credit assistance must complete and submit this letter of interest form and provide requested attachments to the U.S. Environmental Protection Agency (EPA) by the deadline announced in the [Notice of Funding Availability](https://www.epa.gov/wifia/how-apply-wifia-assistance-0#notice) (NOFA). In its submittal, the prospective borrower:

1. Describes itself and its proposed project(s);
2. Provides key financial and engineering information and documents; and
3. Explains how the project meets the [WIFIA selection criteria](#_Attachment_A:_Selection).

The prospective borrower should answer all questions in this form. Narrative answers can reference source documents by including the name of the document and relevant pages or sections and providing any referenced documents as attachments. The prospective borrower must sign Sections E and F in the appropriate spaces and submit a scanned version of the signature pages to EPA.

A prospective borrower may assert a Confidential Business Information (CBI) claim covering part or all of the information submitted to EPA as part of its letter of interest, in a manner consistent with 40 C.F.R. 2.203, 41 Fed. Reg. 36902 (Sept. 1, 1976), by placing on (or attaching to) the information a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as trade secret, proprietary, or company confidential. The prospective borrower should also state whether it desires confidential treatment until a certain date or until the occurrence of a certain event.  Information covered by a business confidentiality claim will be disclosed by EPA only to the extent and only by means of the procedures set forth under 40 C.F.R. Part 2, Subpart B.  Information that is not accompanied by a business confidentiality claim when it is received by EPA may be made available to the public by EPA without further notice to the prospective borrower. More information about CBI is available in the [WIFIA program handbook](https://www.epa.gov/wifia/wifia-resources#handbookanchor) and frequently asked questions (FAQ) available at <http://www.epa.gov/wifia>.

The total length of the letter of interest form should not exceed 50 pages, excluding any attachments. Responses should be on single-spaced, standard-sized 8 ½” x 11” pages. Page margins should not be less than 1-inch. Font size should not be smaller than 11-point Calibri. There is no limit to the number or length of attachments provided. Attachments should be the most recent versions of the documents available at the time of submission and may be draft or preliminary. Attachments must be referenced in the letter of interest form to be considered.

The final letter of interest submission must include:

1. A completed version of this letter of interest form (in Microsoft Word)
2. Scanned signature pages (Sections E and F) (in PDF)
3. All attachments requested and referenced in the letter of interest form

When finished, the letter of interest form and attachments may be submitted either by:

1. Emailing the documents as attachments to wifia@epa.gov; or
2. Uploading the documents to EPA’s SharePoint site. To be granted access to the SharePoint site, the prospective borrower can request access to SharePoint by emailing wifia@epa.gov. Requests to upload documents must be made in advance of the deadline as outlined in the NOFA.

After EPA’s intake process is complete, it will provide a confirmation email to the contacts listed in Section D.

Additional instructions and resources for completing and submitting this letter of interest are available in the [NOFA](https://www.epa.gov/wifia/how-apply-wifia-assistance-0#notice), [WIFIA program handbook](https://www.epa.gov/wifia/wifia-resources#handbookanchor), and WIFIA website ([www.epa.gov/wifia](http://www.epa.gov/wifia)). Questions may be submitted to the WIFIA program office at wifia@epa.gov.

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**Burden**

The public reporting and recordkeeping burden for this collection of information is estimated to average 60 hours per response. Send comments on the Agency's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, included through the use of automated collection techniques to the Director, Regulatory Support Division, U.S. Environmental Protection Agency (2822T), 1200 Pennsylvania Ave., NW, Washington, D.C. 20460. Include the OMB control number in any correspondence. Do not send the completed form to this address. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Warning**

Falsification or misrepresentation of information or failure to file or report information required to be reported may be the basis for denial of financial assistance by EPA. Knowing and willful falsification of information required to be submitted and false statements to a Federal Agency may also subject you to criminal prosecution. See, for example, 18 U.S.C. §1001.

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Additional information about the WIFIA program and the letter of interest form is available at <https://epa.gov/wifia> and by contacting wifia@epa.gov.

# **LETTER OF INTEREST**

*Provide the following information in this form or as narrative answers. Narrative answers can reference source documents (include the name of the document and relevant pages or sections). Provide any referenced documents as attachments.*

## **Section A: Key Loan Information**

1. Legal name of prospective borrower:

City of Makebelieve

1. Other names under which the prospective borrower does business:

N/A

1. Project name *(assign a short name to the project for purposes of identification):*

Makebelieve Wastewater Treatment Facility (WWTF) Upgrade

1. Provide a brief description of the project(s) seeking financing. Limit the description to the elements included in the estimated total projects costs in Question A-7. (Word Limit: 300).

The City of Makebelieve will upgrade the level of treatment and increase the capacity at the existing 4 MGD Makebelieve WWTF. The upgraded plant will handle current and future flows and treat to current limitations for ammonia and anticipated future limitations for nutrients. The proposed project includes both the design and construction of the upgrade and new treatment process.

The project will include the following major components. The capacity of the facility will be increased to be able to treat an average daily flow of 5 MGD. A new treatment process, the Krüger Integrated Fixed Film – Activated Sludge (IFAS) Process, will be added to the plant to treat ammonia to a level of 0.5 mg/l and to treat Total Kjeldahl (TKN) to below 10mg/l. The Krüger IFAS process is hybrid process that combined an attached growth process (MBBR) with an activated sludge process. In this process, media is placed in the aerated reactor basin(s). Along with the new treatment process, the plant will require an additional primary clarifier, two new secondary clarifiers, a new septage receiving station, and the retrofit of the existing chlorine contact chamber to use for an ultraviolet disinfection system. The existing collection system, headworks, anaerobic digester, biosolids dewatering, and septage receiving station on site will be kept in operation.

Attachment B-1, the Preliminary Engineering Report, Sections 1-3, provides additional project information and describes that project in more detail.

1. Describe the project’s or projects’ purpose(s) (including quantitative or qualitative details on public benefits the project will achieve). If the loan contains more than one project, the projects must serve a common purpose. Describe the common purpose that the projects share (i.e. addressing sanitary sewer overflows or improving drinking water quality). (Word limit: 300).

This project is needed to meet current and impending regulatory requirements. Currently, the limiting factor in the existing plant meeting its discharge limits is its ability to treat ammonia. The existing filter process train is incapable of removing ammonia, and the Rotating Biological Contactor (RBC) system is organically limited. Therefore, a new treatment process must be added to meet the effluent limitation for ammonia. In addition, the master plan for the future of the Makebelieve WWTF requires the treatment of flows to meet not only current regulations but anticipated future discharge limitation regulations. It is expected that nutrient regulations (Nitrogen and Phosphorus) will eventually be placed on the facility. Thus, all planning, for future expansions, includes treatment/modification for total Nitrogen and Phosphorus removal.

The project is also needed to expand treatment capacity since the existing treatment plan is approaching treatment capacity and additional growth is anticipated. Twenty-year projections from the US Census Bureau and the city of Makebelieve’s own analysis predict that the population of the service will increase to 36,000.

The Makebelieve WWTF serves approximately 30,000 people and is expected to serve approximately 36,000 in the next twenty years. The plant discharges to the Makebelieve River. The aquatic system of the Makebelieve River will benefit from ammonia and nutrient removal from the wastewater discharge. Even small concentrations of ammonia can cause significant deterioration to the flora and fauna in the waterbody receiving it. Increased nutrients in waterways causes eutrophication. It is critical to maintain the water quality of the Makebelieve River since the cities of Southwood and Someplace Else use it as source water for their drinking water. In addition, the City of Makebelieve derives significant economic benefits from businesses associated with recreational fishing and ecotourism on the Makebelieve River.

1. Requested amount of the WIFIA loan (in dollars). This amount may be no more than 49% of the estimated eligible project costs provided in question A-7:

$38,161,788

1. Estimated total eligible project costs (in dollars):

$77,881,200

1. Identify the month and year the prospective borrower will submit an application. (Assume invitations to apply will be issued approximately 90 days from letter interest submission deadline).

April 2021

1. Identify the month and year the prospective borrower wants to close its WIFIA loan.

October 2021

1. Identify the type of entity that the prospective borrower is (pick one):















1. If option E, F, or G was selected in question A-10, does the prospective borrower have legal authority to carry out the proposed project activities described in this Letter of Interest?



 If yes, cite the legal authority.

Makebelieve Code § 34-2201.01 et seq.

1. If “C. Joint Venture” was selected in question A-10, describe the organizational structure of the project(s) and attach an organizational chart illustrating this structure. Explain the relationship between the prospective borrower, the project, and other relevant parties. Include individual members or titles of the project team(s) and their past experiences with projects of similar size and scope. If multiple parties are involved in the project’s construction, maintenance, and operation, describe the project’s risk allocation framework.

N/A

1. County(ies) Served by project(s)

Makebelieve County

1. Population Served by project(s)

30,000

1. Total population served by system

30,000

1. Borrower department and division name:

Department of Public Works

1. Business street address:

12345 Main St. Makebelieve, MB 55555

1. Mailing street address (if different from above):

Same as above

1. Employer/taxpayer identification number (EIN/TIN):

 00-0000000

1. Dun and Bradstreet Data Universal Number System (DUNS) number:

 000-000-000

1. National Pollutant Discharge Elimination System (NPDES) and/ or Public Water System (PWS) number (if applicable):

MB0000000

1. If the prospective borrower is not a public entity, is the project(s) publicly sponsored? Please explain.

Makebelieve is a public entity

## **Section B: Engineering & Credit**

1. Provide a technical report such as a preliminary design/engineering report or planning document for each aspect of the project(s). Provide the filename(s) in the textbox.

If no technical reports are available, provide a detailed description of all major project components. Indicate whether the project involves the construction of new facilities or the renovation or replacement of existing ones. Describe each of the project components in terms of dimensions, quantities, capacities, and square footage, etc.

Project planning began in in Fall 2019with the 2019 Facility Plan Update. The following technical report is provided as an attachment:

* The Preliminary Engineering Report (Attachment B-1)
1. Present the overall project schedule start and end dates for key milestones and costs in the provided tables. For WIFIA loans with one project, fill out Row 1. For WIFIA loans with multiple projects, fill out and create as many rows as needed.

|  |  |  |  |
| --- | --- | --- | --- |
| Project Name | Planning | Design | Construction |
| Makebelieve Wastewater Treatment Facility (WWTF) Upgrade | 11/15/2019 – 3/15/2020 | 3/15/2020 – 11/15/2020 | 2/15/2021 – 8/15/2024 |
| Enter name here. | Enter start date. - Enter end date. | Enter start date. - Enter end date. | Enter start date. - Enter end date. |
| Enter name here. | Enter start date. - Enter end date. | Enter start date. - Enter end date. | Enter start date. - Enter end date. |
| Enter name here. | Enter start date. - Enter end date. | Enter start date. - Enter end date. | Enter start date. - Enter end date. |
| Enter name here. | Enter start date. - Enter end date. | Enter start date. - Enter end date. | Enter start date. - Enter end date. |

1. Choose the proposed lien priority for the WIFIA loan.







1. Provide an existing credit rating that is less than a year old or is actively maintained. If a credit rating is not available, describe how the senior obligations of the project will achieve an investment-grade rating.

An existing credit rating is not available. The project’s financial structure includes 49% or $38.1 million subordinate WIFIA financing with a proposed tenor of 30 years. The remaining 51% of funding will come from 30-year subordinate SRF financing (26% or $20.25 million) and PAYGO financing (25% or $19.5 million). The City assumes an interest rate of 2.5% for the WIFIA financing and 2% for the SRF debt.

The City’s current credit ratings are strong with existing senior debt receiving an S&P rating of AA+ in 2017 based on the City’s strong cash reserves, stable system revenues, and strong rate setting authority. Subordinate debt received an S&P rating of AA. The rating was below the rating for senior debt due to the reduced cash flow available for junior debt after meeting senior obligations.

Enterprise revenues are expected to grow as rate increases take effect. The City plans for 5% rate increases each year over the next 6 years (Attachment B-2). Additionally, user rates will be increased by an escalation factor tied to CPI. Revenue projections also consider the City’s growing user base. Historical populations trends have been projected through the loan life and user revenues have been increased accordingly.

1. If an existing credit rating is not available, provide a financial pro forma and three years of audited financial statements. Indicate the filenames in the textbox below.

The financial pro forma should include key long-term (at least 10 years, but no greater than the proposed life of the WIFIA loan) revenues, expenses, and debt repayment assumptions for the revenue pledged to repay the WIFIA loan.

The financial pro forma should be provided in an editable Microsoft Excel format, not in PDF or "values" format and include, at a minimum, the following:

* 1. Sources of revenue
	2. Operations and maintenance expenses
	3. Dedicated source(s) of repayment
	4. Capital expenditures
	5. Debt service payments
	6. Projected debt service coverage ratios for total existing debt and the WIFIA debt
	7. The project’s or system’s debt balances broken down by funding sources
	8. Equity distributions, if applicable

If available, include sensitivity projections for pessimistic, base and optimistic cases. A sample financial pro forma is available at <https://www.epa.gov/wifia/wifia-application-materials-and-resources>. Provide the financial pro forma filename in the textbox.

Makebelieve Pro-Forma (Attachment B-3)

1. Provide a sources and uses of funds table for the construction period(s), including the proposed WIFIA loan. For prospective borrowers other than Public Entities, add rows as needed to identify the amount and source(s) of project equity, letters of credit, and other sources of debt as applicable. Note any ineligible project costs. More information about eligible costs is available in the [WIFIA program handbook](https://www.epa.gov/wifia/wifia-resources#handbookanchor). Indicate the certainty of other sources of funding.

|  |  |  |
| --- | --- | --- |
| Sources Category | Estimated Dollar Value  | Funding Certainty |
| 1. WIFIA Loan (cannot exceed 49% of eligible costs) |  $38,161,788  | N/A |
| 2. Revenue Bonds | Click or tap here to enter text. | Certain |
| 3. SRF Loan |  $20,249,112  | Uncertain |
| 4. Borrower Cash |  $19,470,300  | Certain |
| 5. Previously Incurred Eligible Costs\* | Click or tap here to enter text. | Choose an item. |
| 6. Other (please specify) Click or tap here to enter text. | Click or tap here to enter text. | Choose an item. |
| **TOTAL SOURCES** |  $77,881,200  |  |
| Uses Category | Estimated Cost |
| 1.  Construction  |  $46,728,720  |
| 2.  Design  |  $7,788,120  |
| 3.  Planning  |  $3,894,060  |
| 4.  Land Acquisition | Click or tap here to enter text. |
| 5.  Other Capital Costs |  $11,682,180  |
| 6.  Contingency |  $7,788,120  |
| 7.  Total Capital Costs |  $77,881,200  |
| 8. Financing Costs | Click or tap here to enter text. |
| 8. Ineligible Costs (if applicable)  | Click or tap here to enter text. |
| 9. Other (please specify) Click or tap here to enter text. | Click or tap here to enter text. |
| 10. Other (please specify) Click or tap here to enter text. | Click or tap here to enter text. |
| **TOTAL USES** |  $77,881,200  |

\*Previously Incurred Eligible Costs are project related costs incurred prior to the WIFIA loan’s execution. Please see the WIFIA Program Handbook for additional information on Eligible Costs.

For funding sources that are uncertain (excluding the WIFIA Loan), explain alternative funding that could be used if the funding source is not available.

This project is currently on the state’s Intended Use Plan, but funding has not yet been approved. If Makebelieve does not receive SRF funding, borrower cash will be increased to cover remaining project costs.

## **Section C: Selection Criteria**

*For each question answered yes, provide a response to explain how the project seeking the WIFIA loan achieves the stated result. When applicable, reference attachments. Responses to these questions will allow the WIFIA program to evaluate the project in relation to the selection criteria outlined in the NOFA. If the Letter of Interest contains multiple projects, include information about any of the projects that would fit the selection criteria. See* [*Attachment A: Selection Criteria & Scoring*](#_Attachment_A:_Selection) *for more information.*

1. Will the project create construction jobs?



If yes, approximately how many?

200

1. Will the project create post-construction jobs?



If yes, provide approximately how many and explain how this number was calculated.

30, this number was calculated by looking at the permanent positions that will be created after the treatment plant upgrade, including monitoring, management positions, etc.

1. Will the project support economic growth?



If yes, explain how.

The City of Makebelieve derives significant economic benefits from businesses associated with recreational fishing and ecotourism on the Makebelieve River. With the implementation of this project, ammonia and nutrient levels in the effluent being discharged into the Makebelieve River will be reduced. The treatment process will be added to the plant to treat ammonia to a level of 0.5 mg/l and to treat Total Kjeldahl (TKN) to below 10mg/l. This will have a positive effect on flora and fauna living in and nearby the river and allow the businesses associated with the river to continue to contribute to the economy.

The upgrade to the Makebelieve WWTF is a regionally significant project. The City of Makebelieve is the region’s fifth largest urban area and supports a number of regional industries including tourism, shipping, and healthcare. The City of Makebelieve’s efficiently functioning wastewater system is critical to the city’s ability to support continued economic growth of current industries and in catering to new industries that emerge or relocate to the city in the future.

1. Will the project protect drinking water, including source water protection?



If yes, explain how.

The project will improve the quality of the source water available for the two communities, Southwood and Someplace Else, that have drinking water intakes in the Makebelieve River.

1. Will the project support international commerce?



If yes, explain how.

Click or tap here to enter text.

1. Will the project implement new or innovative technology(ies), such as using renewable or alternate sources of energy, water recycling, or desalination?



If yes, explain how.

The project utilizes the IFAS hybrid process, which enables activated sludge systems to achieve dramatic gains in volumetric productivity without increasing mixed liquor suspended solids (MLSS) levels in the process. By doing so, the system will deliver improved performance while reducing the solids impact on clarification processes. As a result, the clarification process will benefit from implementing IFAS technology. The IFAS process also has the smallest footprint, less than half the size of the Aeration Industries Oxidation Ditch, so it will fit on the site without complications in maintaining operability of the RBCs during construction. As the city’s population grows, industrial activities increase, or wastewater flows and concentrations change, this technology has the unique capability to be expanded and upgraded to meet new demands.

The proposed expansion will operate hydraulically by gravity flow and will eliminate the need for influent pumping. As a result, the energy usage will decrease by 20 percent. Additional benefits include that it allows for future expansion without additional construction by just adding media, it is adaptable to variable flows and loads, provides nitrification in cold weather, and prevents washout of nitrifiers by retaining biomass on the media.

 Similar processes have been successfully implemented in several cities across the state.

1. Will the project use new or innovative approaches to plan, design, manage, and/or implement the project?



If yes, explain how.

 Click or tap here to enter text.

1. Does the project protect the system, project specific asset, or community from extreme weather events such temperature, storms, floods, or sea level rise expected based on current conditions?



If yes, explain how.

This project updates are being designed to the 500-year flood level which will protect the system from extreme weather events based on current conditions.

1. Does the project protect the system, project specific asset, or community from extreme weather events such temperature, storms, floods, or sea level rise predicted to occur in the future?



If yes, explain how.

In accordance with the City of Makebelieve’s resiliency planning policies, the upgrades are being designed to the 500-year flood level. In addition, the IFAS process being utilized allows for the flexibility to expand and upgrade to meet new demands. This is a highly desirable scenario because it minimizes the initial capital investment but maximizes potential for plant growth in the future without large future infrastructure investments.

1. Does the project serve a population in a region impacted by significant energy exploration, development, or production areas?



If yes, explain how.

 Click or tap here to enter text.

1. Does the project address water quality concerns?



If yes, explain how.

This project addresses the water quality concerns, specifically ammonia and nutrient levels, in the Makebelieve River and its tributaries and source water protection for the downstream communities of Southpoint and Someplace Else. The treatment plant facility upgrade will ensure levels of ammonia and nutrients in effluent entering the river will meet current and anticipated limits. The project addresses the water resource challenge by adding a new treatment process using the IFAS process. The water quality of this river is important to sustaining the fishing and eco-tourism industries in and around the waterway. Additionally, the project will protect the source water for downstream communities.

1. Does the project address water quantity concerns?



If yes, explain how.

Click or tap here to enter text.

1. Is the project identified in an existing regional, state, or multistate agreement?



If yes, attach the relevant document and write in the textbox the filename and relevant section(s) or page(s).

See Attachment C-1, *City of Makebelieve’s Five-year Strategic Plan*, Section 3

1. Is the project identified as a municipal, state, or regional priority?



If yes, attach the relevant document and write in the textbox the filename and relevant section(s) or page(s).

As part of the *City of Makebelieve’s Five-year Strategic Plan*, protect water quality for the city’s surface and groundwater was one of the plan’s top priorities. This project supports this priority including implementation of strategies to fully support the beneficial uses for all 303(d) listed water bodies and a more robust, sustainably managed water resources system.

1. Does the project protect water resources with exceptional recreational value or ecological importance?



If yes, identify the water resources, why it has exceptional recreational value or ecological importance, and describe how the project protects it.

The Makebelieve River supports recreational fishing and ecotourism in the City of Makebelieve as well as being home to many keystone species. With the implementation of this project, ammonia and nutrient levels in the effluent being discharged into the Makebelieve River will be reduced.

1. Is the project designed to address an existing compliance issue?



If yes, identify the compliance issues(s). Explain how and to what extent the project addresses it.

Currently, the limiting factor in the existing plant meeting its discharge limits is its ability to treat ammonia. The City of Makebelieve is under a consent decree order to meet it ammonia limit by 2025.

1. Is the project designed to maintain compliance?



If yes, identify the potential compliance issue(s). Describe how the project maintains compliance.

This project is needed to meet current and impending regulatory requirements. Currently, the limiting factor in the existing plant meeting its discharge limits is its ability to treat ammonia. The existing filter process train is incapable of removing ammonia, and the Rotating Biological Contactor (RBC) system is organically limited. Therefore, a new treatment process must be added to meet the effluent limitation for ammonia. As the city’s population grows, industrial activities increase, or wastewater flows and concentrations change, the IFAS process has the unique capability to be expanded and upgraded to meet new demands and maintain compliance.

1. Does the project serve economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities?



* 1. If yes was selected in question C-18, what is the median household income (MHI) within the project’s service area? Include the MHI for any economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities that have a lower MHI than the entire service area.

The median income for a household in the City of Makebelieve was $55,000 according to 2010 Census Data. Within the City of Makebelieve, two communities, Briarpatch and Briarville, have median house incomes of $40,000 and $35,000 respectively.

* 1. If yes was selected in question C-18, what is the poverty level within the project’s service area? Include the poverty level for any economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities that have a higher poverty level than the entire service area.

In the City of Makebelieve, about 7.5% of the population is below the poverty line. In Briarpatch and Briarville, the population below the poverty line is 8% and 9% respectively.

* 1. If yes was selected in question C-18, provide another value or metric that demonstrates that the project serves economically stressed communities or pockets of economically stressed rate payers within otherwise non-economically stressed communities, if applicable.

The City of Makebelieve has a population of 29,910 (2010 Census Data) and an unemployment rate of 5.2% (as of 2010) compared to the state average of 3.3% (as of November 2018). The communities of Briarpatch and Briarville have unemployment rates of 6% and 7% respectively.

1. Does the project reduce exposure to lead or emerging contaminates within a drinking water system?



If yes, explain how.

Click or tap here to enter text.

1. WIFIA funding would











1. Will WIFIA financing reduce the contribution of Federal assistance to the project?



##

## **Section D: Contact Information**

1. Primary point of contact

Name: Debra Jones

Title: Grants Manager

Organization: City of Makebelieve; Wastewater Treatment Division

Street Address: 12345 Main St.

City/State/Zip: Makebelieve, MB 55555

Phone: 555-555-0000

E-mail: jones.debra@makebelieve.gov

1. Secondary point of contact

Name: Joe Hanson

Title: Chief Financial Officer

Organization: City of Makebelieve

Street Address: 12345 Main St.

City/State/Zip: Makebelieve, MB 55555

Phone: 555-555-0001

E-mail: hanson.joe@makebelieve.gov

## **Section E: Certifications**

*Please sign in the appropriate space and submit a scanned version of the signature page to EPA with your electronic Letter of Interest submission.*

1. *National Environmental Policy Act:* The prospective borrower acknowledges that any project receiving credit assistance under this program must comply with all provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and that EPA will not approve a loan for a project until a final agency determination, such as a Categorical Exclusion (CATEX), Finding of No Significant Impact (FONSI), or a Record of Decision (ROD), has been issued.
2. *American Iron and Steel:* The prospective borrower acknowledges that any project receiving credit assistance under this program for the construction, alteration, maintenance, or repair of a project may only use iron and steel products produced in the United States and must comply with all applicable guidance.
3. *Prevailing Wages*: The prospective borrower acknowledges that all laborers and mechanics employed by contractors or subcontractors on projects receiving credit assistance under this program shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the immediate locality, as determined by the Secretary of Labor, in accordance with sections 3141-3144, 3146, and 3147 of Title 40 (Davis-Bacon wage rules).
4. *Lobbying:* Section 1352 of Title 31, United States Code provides that none of the funds appropriated by any Act of Congress may be expended by a recipient of a contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, or an employee of a Member of Congress in connection with the award or making of a Federal contract, grant, loan, or cooperative agreement or the modification thereof. The EPA interprets this provision to include the use of appropriated funds to influence or attempt to influence the selection for assistance under the WIFIA program.

WIFIA prospective borrowers must file a declaration: (a) with the submission of an application for WIFIA credit assistance; (b) upon receipt of WIFIA credit assistance (unless the information contained in the declaration accompanying the WIFIA application has not materially changed); and (c) at the end of each calendar quarter in which there occurs any event that materially affects the accuracy of the information contained in any declaration previously filed in connection with the WIFIA credit assistance.

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

1. *Debarment:* The undersigned further certifies that it is not currently: 1) debarred or suspended ineligible from participating in any Federal program; 2) formally proposed for debarment, with a final determination still pending; or 3) indicted, convicted, or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Governmentwide Nonprocurement Debarment and Suspension Regulations: 2 C.F.R. Part 180 and Part 1532).
2. *Default/Delinquency:* The undersigned further certifies that neither it nor any of its subsidiaries or affiliates are currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government.
3. *Other Federal Requirements*: The prospective borrower acknowledges that it must comply with all other federal statutes and regulations, as applicable. A non-exhaustive list of federal cross-cutting statutes and regulations can be found at: https://www.epa.gov/wifia/wifia-resources#complianceanchor.
4. *Signature:* By submitting this letter of interest, the undersigned certifies that the facts stated and the certifications and representations made in this letter of interest are true, to the best of the prospective borrower’s knowledge and belief after due inquiry, and that the prospective borrower has not omitted any material facts. The undersigned is an authorized representative of the prospective borrower.

Signature: \_\_See Attachment E-1 for a scanned copy of this signature page\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date Signed: 10/1/2020

Name: Lucy Smith

Title: General Manager

Organization: City of Makebelieve; Wastewater Treatment Division

Street Address: 12345 Main St.

City/State/Zip: Makebelieve, MB 55555

Phone: 555-555-0002

E-mail: smith.lucy@makebelieve.gov

**Section F: Notification of State Infrastructure Financing Authority**

*Please sign in the appropriate space and submit a scanned version of the signature page to EPA with your electronic Letter of Interest submission.*

By submitting this letter of interest, the undersigned acknowledges that EPA will (1) notify the appropriate State infrastructure financing authority in the State in which the project is located that the prospective borrower submitted this letter of interest; and (2) provide the submitted letter of interest and all source documents to that State infrastructure financing authority.

Prospective borrowers that do not want their letter of interest and source documents shared with the State infrastructure financing authority in the state in which the project is located may opt out by initialing here \_\_\_\_\_\_\_\_\_\_\_\_\_.

If a prospective borrower opts out of sharing a letter of interest, EPA will still notify the State infrastructure financing authority within 30 days of receiving a letter of interest.

Signature: \_\_\_\_\_\_See Attachment F-1 for a scanned copy of this signature page\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: Lucy Smith

Date Signed: 10/1/2020

# **KEY DEFINITIONS**

1. *Administrator* means the Administrator of EPA.
2. *Credit assistance* means a secured loan or loan guarantee under WIFIA.
3. *Eligible project costs* mean amounts, substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of:
	1. Development-phase activities, including planning, feasibility analysis (including any related analysis necessary to carry out an eligible project), revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;
	2. Construction, reconstruction, rehabilitation, and replacement activities;
	3. The acquisition of real property or an interest in real property (including water rights, land relating to the project, and improvements to land), environmental mitigation (including acquisitions pursuant to section 33 U.S.C. §3905(7)), construction contingencies, and acquisition of equipment; and
	4. Capitalized interest necessary to meet market requirements, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.
4. *Iron and steel products* means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
5. *Project* means:

(1) Any project for flood damage reduction, hurricane and storm damage reduction, environmental restoration, coastal or inland harbor navigation improvement, or inland and intracoastal waterways navigation improvement that the Secretary determines is technically sound, economically justified, and environmentally acceptable, including—

(A) a project to reduce flood damage;

(B) a project to restore aquatic ecosystems;

(C) a project to improve the inland and intracoastal waterways navigation system of the United States; and

(D) a project to improve navigation of a coastal or inland harbor of the United States, including channel deepening and construction of associated general navigation features.

(2) 1 or more activities that are eligible for assistance [under section 1383(c) of this title](https://uscode.house.gov/view.xhtml?path=/prelim@title33/chapter26/subchapter6&edition=prelim), notwithstanding the public ownership requirement under paragraph (1) of that subsection.

(3) 1 or more activities described in section [300j–12(a)(2) of title 42](https://uscode.house.gov/view.xhtml?req=(title:42%20section:300j-12%20edition:prelim)).

(4) A project for enhanced energy efficiency in the operation of a public water system or a publicly owned treatment works.

(5) A project for repair, rehabilitation, or replacement of a treatment works, community water system, or aging water distribution or waste collection facility (including a facility that serves a population or community of an Indian reservation).

(6) A brackish or sea water desalination project, including chloride control, a managed aquifer recharge project, a water recycling project, or a project to provide alternative water supplies to reduce aquifer depletion.

(7) A project to prevent, reduce, or mitigate the effects of drought, including projects that enhance the resilience of drought-stricken watersheds.

(8) Acquisition of real property or an interest in real property—

(A) if the acquisition is integral to a project described in paragraphs (1) through (6); or

(B) pursuant to an existing plan that, in the judgment of the Administrator or the Secretary, as applicable, would mitigate the environmental impacts of water resources infrastructure projects otherwise eligible for assistance under this section.

(9) A combination of projects, each of which is eligible under paragraph (2) or (3), for which a State infrastructure financing authority submits to the Administrator a single application.

(10) A combination of projects secured by a common security pledge, each of which is eligible under paragraph (1), (2), (3), (4), (5), (6), (7), or (8), for which an eligible entity, or a combination of eligible entities, submits a single application.

1. *Public entity* means:
	1. a Federal, State, or local Governmental entity, agency, or instrumentality; or
	2. a Tribal Government or consortium of Tribal Governments.
2. *Publicly sponsored* means the obligor can demonstrate, to the satisfaction of the Administrator that it has consulted with the affected State, local or Tribal Government in which the project is located, or is otherwise affected by the project, and that such government supports the proposed project. Support can be shown by a certified letter signed by the approving municipal department or similar agency, mayor or other similar designated authority, local ordinance, or any other means by which local government approval can be evidenced.
3. *State infrastructure financing authority* means the State entity established or designated by the Governor of a State to receive a capitalization grant provided by, or otherwise carry out the requirements of, title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et. seq.) or section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12).
4. *Treatment works* has the meaning given the term in section 212 of the Federal Water Pollution Control Act (33 U.S.C. 1292).
5. *WIFIA* means the Water Infrastructure Finance and Innovation Act of 2014, Pub. L. 113-121, 128 Stat, 1332, codified at 33 U.S.C. §§ 3901-3914.